A

SHORT HISTORY

OF THE

EAST INDIA COMPANY:

EXHIBITING

A STATE OF THEIR AFFAIRS, ABROAD AND AT HOME, POLITICAL AND COMMERCIAL;

The NATURE and MAGNITUDE of their COMMERCE,

AND ITS RELATIVE CONNECTION

WITH

THE GOVERNMENT AND REVENUES OF INDIA;

AND A

Difcuffion on the Queftion of Right to the Conquered Territories in India;

ALSO

Remarks on the Danger and Impolicy of Innovation,

AND THE

Practical Means of enfuring all the good Effects of a Free Trade to the Manufacturers of Great Britain and Ireland,

BY

MATTER OF REGULATION, WITHOUT DISTURBING THE ESTABLISHED SYSTEM.

THE SECOND EDITION, WITH SOME ADDITIONS.

TO WHICH IS ADDED,

AN ABRIDGMENT OF THE NEW ACT.

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INTRODUCTION.

AMONGST the many ſuperior advantages derived to the community from a Government conſtituted like that of Great Britain, the means which it affords, through the Liberty of the Preſs, for a free diſcuſſion and communication of ſentiment on every national concern, and more particularly ſuch as in their nature muſt paſs the Ordeal of Parliament, is one of the firſt in utility and eminence. It is by communications of this nature alone, that practical knowledge and experience can be conveyed to the uninformed, and their benefits diſſeminated and ſecured to future generations. Hence the Senator is furniſhed with information the moſt to be relied on, becauſe the moſt expoſed to ſcrutiny and expoſition; and, by comparing and weighing in his cloſet all facts, arguments, and opinions thus ſubmitted to public view, with what he may collect from private quarters, he is enabled to form an impartial judgment, and to decide upon juſt principles and intrinſic merits; and thus topics otherwiſe abſtruſe and difficult become eaſy and familiar. Under the influence of this impreſſion, the Editor of theſe ſheets, whoſe particular ſituation and line of life has, he conceives, afforded him the means of ſetting in their true lights the Nature and State of our India and China Trade, in a way that may be uſeful, at a juncture when that very important and valuable branch of our Commerce is at the eve of undergoing the moſt ſerious inveſtigation, would have thought himſelf remiſs in his duty as a good citizen, had he remained ſilent.

As the main object of this Treatise is to furnish useful information relating to the Asiatic Trade, to such, as either by their avocations, or the want of better means, have been prevented from obtaining it elsewhere, rather than with a desire to enter the lists with those already conversant on the subject, and who may be disposed to become disputants with respect to the best means for conducting it, we have thought it right to give a connected, but very brief, account of the Origin and Progress of the Trade, and the History of the Companies erected for carrying it on, previous to our entering into the consideration of the state of it, as at present circumstanced.

The favorable Reception of this Tract by the Public, under the former Edition, has induced the Editor to permit this second Edition to be printed. The Justice of the opinion he had ventured to obtrude in the 3d Chapter, relative to the Claim of the Company to the exclusive Property and Revenue of the five Northern Circars, having been in some degree questioned by respectable Characters, in high official Situations, he has added a Section on that Subject, to shew the Grounds on which that Opinion was formed. If it be a wrong one, he is open to Conviction, and will not hesitate to acknowledge his Error. The Facts he has stated may at least lead to a further Elucidation of several particulars which, however important, are at present little known to the Community.

CHAPTER I.

The Origin of the Old and New East India Companies, with their Union.

THE paſſage by Sea to the Peninſula of India, and the Eaſtward part of the Continent of Aſia, the preſent ſeats of our Aſiatic trade, was not diſcovered till about the latter end of the 15th Century; and of the various attempts made from hence by individuals to open a Trade thither, none proved ſucceſsful, until * Queen Elizabeth eſtabliſhed the firſt Incorporated Company by the Name of *The London Eaſt India Company*. After a long ſeries of Diſaſters and Loſſes this Company obtained from *the Country Powers*, at a great expence, the Privilege of a limited Trade in certain parts of India and Perſia, and of making ſmall Settlements or Houſes of Trade called *Factories*, for the reſidence of their Factors and Servants. In thoſe early times the † Charters of the Crown, and the Powers which they conveyed, were not thought to require Parliamentary Sanction; nor was it until after the Reſtoration of Charles II. that the Rights or Authorities derived under them, though reſting on Prerogative alone, were firſt called in queſtion.

The Science of Navigation, and the true Principles of Foreign Trade, during the exiſtence of thoſe Charters, were but beginning to dawn upon us. At the time of their ceſſation, we could be ſaid to be only in a ſtate of Commercial Infancy. We are therefore not to be ſurprized at finding, that by the interruptions of ſpeculative Adventurers, called *Interlopers*, who had begun to reſiſt the excluſive Claims of the Old Company, derived by their Charters, on the ground of their wanting the Sanction of Parliamentary Authority, and by occaſional failures of inveſtments of goods from abroad, and the not unfrequent loſſes of ſhips in their paſſage, the Commerce of the Company was often chequered with diſaſters and diſappointments.

Notwithſtanding theſe viciſſitudes and diſcouragements, the Company, with many hard ſtruggles and heavy expences, formed by degrees various ‡ Factories and Houſes of Trade both in *India* and *Perſia*; and at length becoming more

* The Charter was dated the 31ſt December, 1600. Printed Acts and Charters, *Part 2*, Page 3.

† See Anderſon's Hiſtory of Commerce.

‡ *Forts:* Mazagom, Mahim, Syon, Syere, Warlee, Carwar, Angengo, *Tellicherry*, Calicutt, Fort St. George, Fort St. David, Vizagapatam, York Fort or Fort *Malbro'*, *Fort William*, Bombay, and St. Helena.

Factories: Surat, Swally, Broach, Amadavad, Agra, Lucknow, *Gombron*, *Shyraz*, Iſpahaun, Chingu, Orixa, Cuddalore, Porto Novo, Pettipolee, *Metchlepatam*, *Madapollam*, Indrapour, Tryamong, Sillebar, Tonqueen, Bellaſore, Coſſimbuzar, *Dacca*, *Houghley*, *Malda*, Rajamaul, and Patna, with the Cuſtoms of Trade, and a Rent of *3333 l. 6 s. 8 d.* granted by the Sophy of Perſia.

ſucceſsful,

ſucceſsful, their proſperity began to excite that ſort of envy in Individuals, which is too apt to reſult from the beneficial Commerce of Great Bodies. Various attempts were in conſequence made to induce the Crown, and even Parliament itſelf, to interpoſe and revoke the Charters of the Company; ſome on pretext that every man had an equal Right to trade in the *Eaſt* as well as the *Weſt Indies*, whilſt others hoped to effect it on propoſals of Terms of Advantage in point of Publick Finance, that they might themſelves be erected into an excluſive Company, to the downfall of that which exiſted.

Such was the ſtate of things in 1693, when the Company, by an accidental Failure in the Payment of a paltry Duty which had been impoſed on their capital Stock, gave an opening to Government to determine their Charters: For, by the * Act which impoſed that duty, any default in payment, within the time therein limited, rendered their Charters *void:* And though, in the ſame year, the Crown, to obviate all doubts, revived their Powers and excluſive Privileges by a new Charter, the Company were obliged to ſubmit to a condition that their Capacity and Trading ſhould in future be *determinable on Three Years Notice.* The legal obſtacle to the erecting a new Company being thus removed, an † Act was paſſed in 1698 for borrowing *Two Millions* on a Loan at 8 per Cent. towards carrying on the War; and as an encouragement to Subſcribers, it was declared, that they ſhould be incorporated by a Charter from the King into *a General Society*, with liberty for each individual Member to trade to India and the other Limits of the Old Company's excluſive Charter; ſo that the value of his Exports exceeded not his Share of this Loan or Capital; and that ſuch of the Subſcribers as ſhould chooſe to convert their Subſcriptions *into a joint Stock*, ſhould be at liberty to do ſo, and be incorporated *by a ſeparate Charter* by the name of "*The Engliſh Eaſt India Company*," with the privilege of trading with and to the amount of ſuch *joint Stock*. All perſons but thoſe incorporated, and ſuch as they ſhould licenſe, were prohibited from this Trade, except the Old Company, who had time given them to wind up their Commercial Affairs. The Act reſerved a power to determine the Charters both of the General Society and the New Company after September 1711, *on Repayment of the Loan, and Three Years Notice.*

The bulk of the Subſcribers having agreed to trade as a ſeparate Company with a joint Stock, the Old Company, in whoſe prejudice the two New Corporations were to be erected, found means to become Members *for a very large proportion* of the Loan of Two Millions. With an intereſt thus acquired, they joined with the Engliſh Company, and with the ſuperior Knowledge of the Trade, which they had gained by experience over the other members, and poſſeſſed as they were of Shipping, Stores, and Stock at home, and of the Settlements and Factories neceſſary to the Trade abroad, they obtained a decided influence in the general Courts of the New Company, and thus paved

* Act 4 and 5 Will. and Mary, ch. 15. ſ. 10 and 12.
† Act 9 and 10 Will. III. ch. 44.

the

the way to that Union which afterwards took place in 1702, and which, under the auspices of *Lord Treasurer Godolphin,* in 1708, was confirmed by Parliament. By the terms of this Union, the Warehouses at home, and Shipping, and also *all the Settlements and Factories* of the Old Company in the *East Indies, Persia, and China,* including *the Islands of Bombay and St. Helena,* with their Dependencies, and all their Rights and Privileges, however derived, became vested in the United Company, except their *Body Politic,* which they surrendered to the Queen.

The curious Reader will wish to learn what became of the *general Society,* whose Members were individually authorized to trade, as far as the value of their Subscriptions in Goods, exported from hence. All we can discover of them is, that though they were actually *incorporated* by the King's Charter, and were therefore legally authorized to send ships to India or China, it does not with certainty appear that any one ship was ever fitted out by them: and that the superior advantages of being concerned in the Trade to be carried on *with a joint Stock* were so evident, that at the time of the Union of the Two Companies, out of the whole Loan of Two Millions*, only £.7,000 then remained the property of *The separate Traders of the General Society,* and that this sum also was soon absorbed in the United Company, whose capital or trading *Stock,* by which their Dividend of Profits was to be governed, thereupon became fixed at *Two Millions.*

Having thus briefly traced the general History of the two Companies to their perfect Union, we shall refer our Readers to the † Collection of Statutes, Charters, and Bye-laws of the India Company, lately printed and published, for any further particulars they may desire on that part of the subject, and close this Chapter, with a short recital of the Acts of Parliament, by which the United Company have been continued in the exclusive Trade to the present time, and of what were the conditions of the compacts made with the Public on those occasions.

The first enlargement of their term took place in 1708 ‡, when the United Company bargained with the Public to advance £. 1,200,000 as a loan, but without any interest, (or, which operated as the same thing, at a reduced interest of 5 per cent. on the two loans conjointly), for an extension of their term in the exclusive Trade of fifteen years, and thus *their nominal trading capital,* on which the dividend was made, became advanced to £. 3,200,000.

In 1712 ‖ the Company petitioned Parliament, on the ground that the term which remained unexpired in their trade was too short to admit their risking

* Act of 6 Anne, ch. 17. f. 7.
† By Francis Russell, Esq. of the India Board, and printed by Eyre and Strahan, His Majesty's Printers.
‡ Act 6 Anne, ch. 17.
‖ Commons Journals.

again impowered to sell it by an act of the year 1786, in which it was provided, that the purchasers thereof should hold their annuities upon the like terms as the former purchasers; and that what should be so sold should be consolidated with the annuities formerly sold, and that the debt of £. 4,200,000, due by the Public to the Company, should be a collateral security to the holders thereof, but subject to redemption.

The Company however have not availed themselves of their power to alienate the remaining part of this annuity, amounting to £. 1,207,559 : 15 s. producing £. 36,226 : 16 s. per ann. but still retain it in property; and over and besides that income, they also receive from the *Exchequer*, by virtue of an act * of 1751, £. 1687 per ann. for the *receiving*, *paying*, and *managing*, the amount formerly sold to the annuitants, being in proportion to the allowances made to the *Bank* for the management of Bank Annuities.

The India annuities are therefore part of the *National Debt*, charged upon *public revenues alone*, and *redeemable* only by the *Public*; and being so, provision is made by the act of 1786 "*for reduction of the national debt*," that when and as the annuities shall be purchased or paid off by the *Commissioners*, the Directors of the *East India Company* shall permit *Transfers* thereof to be made in their books into the names of the *Commissioners*, similar to what is done at the *Bank* and *South Sea House*, and the Bank are impowered to receive the *annual dividends* thereof for the use of the Public.

By the Consolidation Act † of 1787 the Annuity of £. 126,000 per ann. payable by the Public to the Company, (and out of which they pay the Annuitants) is charged upon the Consolidated Fund.

The *India Annuity* has been for several years at a price *inferior* to the annuities of an equal rate transferable at the *Bank*. This difference has been probably occasioned by the distance of the place of its transfer from the *Stock Exchange*, and its *small annual amount*, preventing that frequency of its being brought to market, which is necessary to a quick demand, and where the magnitude of *other redeemable annuities* renders *this* of but little consideration. The consequence has been, that not a *single purchase* has been made of the *India Annuity* by the *Commissioners* for the reduction of the *National Debt*, though, when brought in small sums (as it usually is) to market, it has been generally sold at the rate of from 3 to 4 per cent. *less* than the *Bank reduced Annuities*, and perhaps the general knowledge that the *Commissioners* have made no purchase in it, may have operated as an additional cause in depressing its price.

It would be better if this annuity were consolidated with the Bank Annuities. The allowance of £. 1687 per ann. might be saved to the Public; the value of the annuity would be improved in the hands of the Proprietors, and the

* Act 24 G. 2. ch. 56.

† 27 G. 3. ch. 13. f. 54.

Public

Public in no respect injured, while the Company, if they choose to part with their share of it, would find it more marketable, and obtain a higher price.

CHAPTER III.

Of the Forts, Factories, and Territories in India, distinguishing those which are the Property of the Company by Purchase, *from those acquired* by Conquest.

PREVIOUS to suggesting any regulations for the future Trade from Great Britain to the East Indies, it appears necessary, on account of the relative connection that subsists between the Revenues of our Asiatic Possessions and the * *Investments* of India Goods for China, as well as for Europe, to ascertain what *Fortresses*, *Ports*, or *other Places* of Importance *to the Trade of India* do of right belong to the Company *in perpetuity*, free from the claims of the Public, to examine what those possessions are, and to distinguish such as were acquired by actual Conquest or influence of arms, and to which *the Nation have made their claim*, from such as were *the Property of the Company* before the making of any conquests, *by purchase* from the Native Powers.

The result of this investigation is, that *Fort St. George*, *Madras*, and *Vizagapatam*, and every other valuable sea port possessed at this time by the Company on the *Coast of Coromandel*, and visited by their ships from hence, together with their Settlements of *Fort William* and *Calcutta* on the Ganges, *Fort Marlbro'* or *York-Fort* at *Bencoolen*, and the *Islands of Bombay and St. Helena*, were purchased by the *Old East India Company* †, and conveyed by them to the present Company, in full right *for ever*. In this description Masulipatam alone is meant to be excepted.

At these *Ports*, and above all at *Calcutta*, *Madras* and *Bombay*, the Company are equally intitled to *Port Duties* and *Customs* on *Imports* and *Exports*, as they are to the places themselves, and have been in the constant exercise and enjoyment thereof at all times. The *Towns of Madras and Calcutta* as well as the *two Forts*, are built chiefly, if not entirely, upon the lands of the Company, under annual *Ground Rents*. By Grants obtained from the Native Powers, they are also

* Though the provision of Investments is generally aided by the Revenue, in the first instance, it has frequently happened in time of war, that Bills of Exchange, to a greater amount than the prime cost of the goods, have been drawn upon the Company to reimburse the Treasuries abroad, for the money advanced from the revenues.

† Fort St. George was made a Settlement by the Old Company in 1620; St. Helena in 1651; Calcutta and Fort William in 1689; and Bombay in 1668.

possessed of, and intitled in perpetuity to * *the Five Northern Circars*, the *Purgunnahs* and *Jaghire Lands*, and sundry valuable Factories and Houses of Trade on different parts of the Continent of *Asia*, and in the *Asiatic Islands*. To these therefore the *Public* have no Claim whatever.

But with regard to the *Provinces* (or Kingdoms as they are called) of *Bengal*, *Bahar*, and *Orissa*, the Country of *Benares*, and the Country newly acquired from *Tippoo Sultaun*, the right of property to them stands on a very different ground, and were it not for those *equitable* Claims which the Company and their *Creditors* seem to have, to be first *repaid* or *indemnified* for the expences and debts unavoidably incurred in the Conquest of those countries, and in their subsequent defence and protection, little doubt could be entertained in respect to them; for the right, subject to those claims, is indisputably in the *Public*; nor have we been able to discover from what source the doubt, which has been by some persons entertained regarding it, has arisen. As far as our researches have gone, neither the Court of Proprietors nor the Court of Directors, nor any of their Committees, ever laid claim to the property of these *conquered Territories*, either by any formal *Resolutions*, or by any of their *Petitions* to Parliament, although the *appropriation* of the revenues of those territories, underwent full and serious discussions both there, and at the *General Courts* on many occasions, and particularly in 1766, 1767, 1769, 1773, 1779, 1780, 1781, and 1784; and the Company having for a series of time agreed to become *participants* of the territorial revenues with the *Public*, and having also paid annually to the *Exchequer* ‡, for the use of the Public, their stipulated share of £. 400,000 per ann. until prevented by the pressure of new debts incurred by the expences of supporting wars in *India*, it would be superfluous to create a doubt on the right of the Public at this day.

We are aware, that in the temporary Act of 1779, as well as in the Acts of 1780 and 1781, a clause was inserted declaring that the appropriation of this revenue made by these Acts should not *prejudice the Rights either of the Public or the Company*: but, if we mistake not, there was no such *saving clause* offered, much less inserted, in either of the former Acts of Appropriation.

Lest, however, any person should, for want of being better informed, hesitate to pronounce the right to these extensive and valuable territories to be in the *Public*, (subject, however, to the equitable and just claims *for indemnity*

* The Circars being held merely as a Farm under Nizam Ally, at a yearly rent of seven lacs of rupees, or about £. 70,000 per ann. Sterling, with an exception of the Diamond Mines, and under other special conditions, we apprehend, but with submission to better judges, that the Circars stand on a similar footing with the Jaghire Lands. See Chapter XV for the History of some of these acquisitions, and particularly Masulipatam and the Northern Circars.

‡ These payments, between 1766 and 1782, amounted to upwards of Two Millions Sterling.

both

both of the *Company* and their *Creditors)*, we shall briefly state what we conceive sufficient to obviate every doubt.

It will be remembred, that our conquests in *India* immediately followed that memorable and ever to be lamented act of barbarity, committed on the Company's servants in the *Black Hole of Calcutta*, by the then Nabob of Bengal. This happened in 1756, and the Company, after having directed their servants abroad to take the most speedy and vigorous measures for recompensing themselves, preferred their * Petition to the King, stating the doubt "whether the "*Lands, plunder*, and *booty* which might be conquered or taken by their forces "upon any occasion, *would not belong to His Majesty*; and praying that in con-"sideration of their expences and losses, the King would grant them the *plunder* "*and booty*, and that the Company might be permitted to hold and enjoy to "them and their successors, subject to His Majesty's right of Sovereignty "therein, all such *Fortresses, Districts, and Territories*, as they had already ac-"quired, or might acquire from any *Nation, State, or People, by treaty, grant,* "*or conquest*, with power to restore, give up, and dispose of the same, as they "might see occasion, subject to His Majesty's disposition as to lands acquired "by conquest from the subjects of any *European* Power."

The Petition being referred to the consideration of the Attorney and Solicitor General, (the present *Lord Camden*, and the late Chancellor *Mr. Charles Yorke)*, they made their report dated the 24th December, 1757, of which the following is a literal extract:

"In respect to such places as have been, or shall be acquired by Treaty or "Grant from the Mogul, or any of the Indian Princes, or Governments, Your "Majesty's Letters Patent are not necessary; the property of the soil vesting "in the Company by the Indian Grants, subject only to Your Majesty's right "of Sovereignty over the Settlements, as English Settlements, and over the "Inhabitants, as English Subjects, who carry with them Your Majesty's Laws "wherever they form Colonies, and receive Your Majesty's protection, by "virtue of Your Royal Charters. In respect to such places as have lately been "acquired or shall hereafter be acquired by conquest, the property, as well "as the dominion, vests in Your Majesty, by virtue of Your known Prero-"gative; and consequently the Company can only derive a right to them, "through Your Majesty's Grant. But we submit our humble opinion to Your "Majesty, that it is not warranted by precedent, nor agreeable to sound po-"licy, nor to the tenor of the Charters, which have been laid before us, to "make such a general grant, not only of part, but of future contingent con-"quests, made upon any Power, European or Indian, to a Trading Company. "Many objections occur to it, more material to be weighed than explained. "If at any time the East India Company, in the prosecution of their just rights, "shall chance to conquer a Fortress or District, which may be convenient for

* Vide Appendix to 1st vol. Bolt's History, for this Petition and Report.

" carrying on their trade, and is afterwards either ceded to them by treaty, " or proper to be maintained by force, it is time enough to resort to Your " Majesty for Your Royal Grant, whenever the case arises. At the same time " we must do justice to the honourable intentions of those who preferred this " Petition to Your Majesty, in saying, That as soon as the objections were " intimated, they readily acquiesced, and expressed themselves much more " anxious for the sake of obtaining a clear rule for the direction of their officers " in India, to have their doubts explained, as to their powers of restoring or " surrendering places conquered; and to know whether the Company is enabled, by any of their present Charters, to yield up conquests made on the " Indian Princes or Governments by treaty, without Your Majesty's Licence " in every instance; the procuring of which might be attended with great " delay in pressing exigencies. In answer to this doubt so stated, we are " humbly of opinion, that the Royal Charters, granted to the Company, " having repeatedly given them the Powers of making Peace, as well as War, " with the Indian Princes or Governments, it is incident to the Power of " making Peace to be enabled to restore conquests, or things taken in war, " otherwise they would have the Power to make Peace, without the means " of obtaining it. But to remove all possible doubts, we think it will not be " improper (if it shall be Your Majesty's pleasure) to explain their Powers " of making Peace, by a clause to be inserted in the Letters Patent proposed, " enabling them to make cessions of new Conquests, acquired from any of " the Indian Princes or States, during the late troubles between the East India " Company and the Nabob of Bengal, or which shall be acquired in time " coming; with an express exception, agreeably to the Prayer of their Petition, of any Settlements or Territories conquered from the Subjects of " any European Power, leaving the same open to be disposed of in all cases, " according to your Royal Wisdom."

Upon this Report, the King granted all *plunder and booty* to the Company, under certain restrictions; and also licensed " the Company and their Servants, " by any Treaty of Peace with any *Indian Princes or Governors,* to cede, restore, " or dispose of any *Fortresses* or *Territories* acquired, or thereafter to be acquired " *by conquest,* except Settlements conquered from any *European Power,* which " they were not to dispose of without His Majesty's Permission *." Which Licence, thus restricted, was accepted by the Company. To add to all this, the House of Commons in 1773 (which was Nine Years after the Company's possession had been established by a Grant from the Mogul in the Dewanneeship of Bengal) came to a decisive Resolution, " *That all acquisitions made under the " influence of a Military Force, or by Treaty with Foreign Princes, do of right belong " to the State.*"

* Coll. of Statutes and Charters, 2d Part, p. xliv.

CHAPTER IV.

Expences incurred by the Company in the Indian Conquests.

HAVING mentioned the Expences of the Company incurred in the conquest and subsequent defence of the territories in India, it will be expected that a fuller explanation should be given on that head.

It has been asserted, with more Confidence, perhaps, than truth, that the *Territorial Revenues* have been so blended in India with the *Commercial Funds* of the Company, as to render every attempt to discover the amount of the expences sustained in the acquisition and protection of those Territories, beyond the net revenues they have yielded, fruitless and nugatory: And that no injustice will be done by setting the Receipts against the Payments, and thus closing the account for ever.

Were the Revenues to be continued under the collection of the Company until their debts abroad and at home were discharged, and the value of their commercial assets become sufficient to cover their Capital Stock, there probably would be no difficulty in acceding to the final adjustment of the Account in the manner proposed. But burthened as the Company are with debts, and after having so recently advanced large sums by new subscriptions to their Capital Stock, it behoves them, in Justice to their Creditors and to themselves, as well as for the support of their honour and character, to shew that the *Revenues of India* have *fallen short* of reimbursing *the excess of their disbursements* in respect of the territories, by the full amount of the debts owing abroad and at home, the current debts incident to their commerce excepted. And though it may be true, that the Land Revenues and the Commercial Funds have been in some respect mixed together, so as to render it a fruitless attempt to separate them at this day, yet as the Company are well known to have received no other remittances from abroad, than by the medium of their investments, we may venture to assert, that if an account were taken at home, after the following method, the out turn of it would be sufficiently correct for every useful purpose, and afford all the satisfaction the nature of the case seems to require.

1st. Let an account be taken of the *prime cost, outfit, freight, and charges of merchandize, of all bullion, goods, and stores exported by the Company to India,* for any given time; and add thereto the *profits* derived by their *sales there* (those being considered as the exclusive right of the Company). To this, add also the expences of the commercial establishments, and other charges of merchandize in India, and the *amount of bills of exchange,* and the expences of *forces and recruits* paid by the Company *in London,* and the money paid into the *Exchequer* for the use

use of the Public.—The *aggregate* of these will shew what India may be *debited* to the Company.

2nd. In contrast with that *debit* should be placed the amount, at their *prime cost in India*, of all *investments* shipped there both for Europe and China, and all remittances from India to China within the same period.

If the aggregate of the Payments at home have exceeded the receipts by remittances from India to China, and by the investments *from* India to China and Europe at their prime cost, then will the Company have a right to place the difference *as a debt* against the *territories in India*; but if their receipts by those remittances and investments shall be found to exceed *their payments at home*, then will the Company be indebted to that amount to the *territorial revenues*.

There will however remain another small account to be adjusted, to bring the intended statement to a nearer degree of accuracy. We have already observed, that the Company had *forts and factories in India* before the *conquest* of *Bengal*; and doubtless these were attended with *some, but it is presumed not* much, expence to the Company, beyond what were properly included under the head of their *mercantile establishments*. We have also shewn that the Company had *Land-rents, port-duties*, and *customs*. Neither of these articles are included in the manner above recommended for taking the foregoing account. But as the Company's receipts by *rents, duties*, and *customs* in *India* were very considerable, even at an early period, as will appear by the Reports of the *Select Committee* of the House of Commons of the year 1773, and as the extra expences of the *forts* are supposed to have been but trivial, antecedent to the war of 1756, there seems reason to expect, that this part of the computation might ultimately terminate in the Company's favor.

It is well known, that in 1780, an account on the foregoing *datum*, or something very near it, was taken with very great precision by a worthy and intelligent member of the Company, then and still a Director. It was printed and distributed under the title of "*Remarks on the East India Company's Balances in England from their Trade and their revenues*," and the result of it was, that the Company had actually paid on the account of the Territories, more than had been returned from those Territories, by the sum of £.3,622,969, exclusive of interest; and if that account, accurately continued to the present time, were laid before the Public, it would shew that the balance above stated, has been considerably increased, besides the debts still due for the expences of the two last wars. The arguments and observations annexed to the account here referred to, are highly worthy the study and attention of every one who wishes to be informed of the particulars of this part of the Company's concerns.

CHAP.

To make * Settlements *to any Extent* within the Limits of their Exclusive Trade, build *Forts* and *Fortifications*, appoint *Governors*, erect *Courts of Judicature*, coin *Money*, raise, train, and muster *Forces* † at Sea and Land, repel wrongs and injuries, make reprizals on the invaders or disturbers of their peace, and continue to trade within the same limits, *with a joint Stock for ever*, although their Exclusive Right of trading shall be ‡ *determined* by Parliament.

Possessed, therefore, as the Company is, of *all the sea ports and places of Trade* in the East Indies in *perpetuity* acquired by *grants* from their former owners, *the Native States of India*, and held by the *best of titles*, namely, upon Rights and Powers granted upon formal *compacts* for *full and valuable considerations* paid to the *Public*, and ratified and established by sundry *acts of Parliament*, it seems evident, that although the *exclusive Trade* of the Company were to be determined, yet that no private merchant of this or any other country could justify *entering* any of those *ports or places* for the purpose of *Traffick*, but by the Company's permission, unless the Ports and Factories, as well as the Trade, were to be thrown open. This would, however, be an innovation on private rights and private property, of which the records of Parliament afford no instance, except in cases merely *municipal*, and where their extreme urgency for effecting some great and approved design manifestly tending to secure or promote the general interests of the empire, have impelled the Legislature to the exercise of *so extraordinary* a stretch of their authority. On such occasions, however urgent or important they may have been, the greatest circumspection has been always used, and care taken, as far as the nature of the case would admit, to affect the private property of the individual, be his condition what it might, as little as possible; and in no case have the applications for such like purposes proved successful, where every party was not consenting, but on the fullest proof and conviction, that the interests of the country required the sacrifice, nor without strict provision being made for giving *ample compensation* to the owners of the property to be affected, and which it has been the practice to apportion, not merely to its intrinsic worth, but according to that degree of profit which, under all existing circumstances, its exclusive possession afforded, or might in reason *be in prospect to afford*, to its former proprietors. This salutary principle is so consistent with justice, and the common rights of mankind, and is become so rooted and interwoven by practice into our Constitution, that we may with confidence affirm, it will never be shaken nor departed from by the *Parliament* of Great Britain. On the other hand, circumstanced as the case is with respect to the importance of the Company's *exclusive Right* to the *Ports and Places of Trade in India*, whereby to secure the peculiar advantages they will afford to the Company *trading with a joint stock*, after the trade of individuals shall be brought in competition and rivalship with them; and when it is considered how vast is the number of persons, *Members*

* By the Charter of King William.
† By Acts of Parliament, 27 Geo. II. ch. 9.—1 Geo. III. ch. 14.—and 21 Geo. III. ch. 65.
‡ By the Three Statutes mentioned in Note (†) in the preceding page.

or

or *Creditors* of the India Company, whose property is embarked in, or collaterally dependant upon the future success of their Commerce; and that many other descriptions of persons are also individually interested in whatever relates to the seats of Trade established with so much expence, and so necessary for conducting it in future, it appears no easy matter to devise any practicable means by which a proper compensation for the privileges to be wrested from the Company, in opposition to their wishes, and so apparently to their injury, can be adjusted or computed; or in what manner, if the *quantum* were fixed, it can be properly paid or raised.

CHAPTER VI.

How far the Appellation of a Chartered Monopoly is applicable to the East India Trade.

THE appellation of *a chartered Monopoly*, given on various occasions to the East India Company's exclusive Trade, can be meant only to excite popular odium, and bring it into general disrepute. We have, in a former chapter, shewn the origin of the two East India Companies, and that the former held their exclusive trade by the voluntary grant of the Crown, founded solely on its prerogative, while the latter, or present Company, derive their rights by actual purchases from the Public, upon solemn compacts authorized and confirmed by acts of Parliament. True it is, that King William granted a Charter of Incorporation to the present Company: but it was a Charter conceived in the very terms of the agreement previously made with, and ratified by Parliament, and can therefore be considered in no other light, than *as an instrument of investiture*, issued under the Great Seal of Great Britain, in compliance with the letter of the act, in order to perpetuate the agreement, by inrollment (as all *Charters* are, though *Acts of Parliament* are not) upon the public archives of the kingdom, kept in the High Court of Chancery, whereby to establish, more firmly, if it were possible, the tenor of the bargain, the origin of the incorporation, the extent of the rights and privileges meant to be conveyed, and the restrictions with which they were accompanied. In these important respects, did this Charter differ from all others, that it was not only the first ever granted by similar authority, but was free from every legal question which had attached on others, *because it sprung from an act of the British Parliament, and was made in all things to correspond with it.* How far the learned * gentleman, who, in 1783, made so light of Charters, and of this Charter in particular, by describing it as of no other value or virtue, than so much "parchment with a bit of wax dangling at its tail," had informed himself of these particulars, or whether he really considered (as from the very high opinion we entertain of his virtue and

* In a debate in the House of Commons on the famous India Bill of Mr. Fox.

integrity,

integrity, we hope, and believe he did), that the Charter from King William had been a mere gratuitous business, flowing, like many others, from royal bounty, and dependent on the authority of prerogative alone, we shall not pretend to determine; but we may boldly affirm, that the East India Company derive no rights, whatever, under their Charter, other than what they fairly purchased, nor any but such as are sanctioned to them in the most clear and distinct manner by the act of Parliament under which the Charter was made, and those subsequent acts by which the exclusive Trade has been continued to them, upon new bargains with the Public, to this day. And when it is recollected, that the continuance of their exclusive Trade is *not dependent on any Charter* (for they have had none for their trade since 1698), but on † Acts of Parliament only, we cannot but be forcibly struck with the impropriety of this appellation "The Chartered Trade," as generally applied to the existing exclusive Trade of the Company.

A monopoly, according to its literal, as well as enlarged sense, undoubtedly means the ingrossing and getting into the power of any individual, or of two or more persons combined for the purpose, any particular commodity, whereby to command the time and manner of its sale, and to with-hold it from the market, or deal it out at pleasure, at an arbitrary or extravagant price.

Though the spirit of our laws, at all ‡ periods, declared that trade should be free, and forbad all monopolies; yet such was the influence of prerogative, and the submission of the people to it in early times, that it was not until the 21st James I. that all grants of monopolies by the Crown, were declared null and void by statute. And in that act is contained * a provision that it should not extend "to Companies or Societies of Merchants erected for the maintenance, "encouragement, or ordering of any trade of merchandize."

What, therefore, constitutes the spirit and essence of a monopoly is, the having the sole command and power over some necessary article or commodity, in the mode of its sale and disposal, by which to enhance the value, and impose on the consumers an arbitrary price. Surely no one will gravely pronounce this sort of monopoly to apply to the Trade of the India Company, either in theory or practice: for so far were the Company from purchasing from the Public, and the Public from granting or legalizing any thing approaching to a monopoly of this kind, that it has, in the most positive terms, enjoined that the sales of goods by the Company should be made openly and publicly by Inch of Candle, or by way of Auction, within twelve months after the importation thereof §. The practice at the Company's sales has ever been strictly consonant to the law; and so far from the Company, or any of the individual members of it, having

† 3 G. 2. ch. 14. s. 10. 17 G. 2. ch. 17. s. 12. 21 G. 3. ch. 65. s. 4.
‡ See Statutes, 9 H. 3. ch. 30. 25 E. 3. ch. 2. 2 R. 2. ch. 1. 11 R. 2. ch. 2
* 21 J. 1. ch. 3. s. 4.
§ The Charter limits the lots to £.1,000 in value; they rarely exceed £.300; and abundance of lots are made very small to accomodate Individuals. A further latitude in respect to the time of sale, after importation, was given by an Act of 7 Geo. 1. st. 1. ch. 21. s. 10 and 11.

been

returns of the import Trade from India and China. Besides, the Old Company could hold back their goods from the market, and sell them privately, just as suited their own purposes: The present Company can sell only to the best bidder, and were never known to keep back any goods, when a bidder could be found for them; their sales are constant and uniform; and, above all, the magnitude of the Trade, and the appropriation of its produce, amongst so great a number of persons, must ever secure the Public from every apprehension of its being converted to any of those base purposes, which, by their combination alone, can create the essence of a monopoly.

CHAPTER VII.

Plans formerly recommended for varying the Mode of conducting the Trade to the East Indies.

AMONGST the schemes devised in preference to that of a Joint Stock Company, for securing a beneficial Trade with India, we do not find any one to have been gravely proposed for throwing it wholly open to chance. The only plans that seem to have been thought worthy of serious deliberation, were such as had in view (though perhaps not all on the same model) a Regulated Open Company. Such was *the first Company* established in the year 1600, and such was the *general Society*, both of which we have seen to have grown into Joint Stock Companies. The difference consists in this: In a regulated Company, every merchant qualified according to the Rules prescribed, and conforming to them, may become a member, and may trade with his own separate capital; whereas, in a Joint Stock Company, the whole capital is thrown into one common mass. In the former case, the number of members, and the extent of the trade, are indefinite; in the latter, though the number be not, the extent of the trade is limited by the amount of the joint stock employed in it.

Although no general plan for throwing the Trade open has been suggested, history furnishes us with various instances of attempts made by individuals, to trade on their own capitals, with India and China, as well before the institution of the first India Company, as since; but such attempts seem one and all, to have been attended with little better than ruin to the adventurers: and, indeed, when the distance from India, the nature of the intercourse with the natives, and the want of ports and settlements, are considered, our surprize cannot but be excited at the rashness of those who made the trial. The most flattering prospect to adventurers of this description was held out in the time of the Usurpation, when Oliver Cromwell suspended the Trade of the Company, to give to

all

all persons a fair opportunity of trying the effect of an Open Trade. The experiment ended, as might be expected, in ruin; and, after an interval of four or five years, the Company were restored, and the unsuccessful adventurers were amongst the first of those, who applied to the Protector for liberty to trade with a Joint Stock. Many other instances might be adduced of failures by private adventurers, but none have come within our observation, that were attended with success. A remarkable instance of the inconveniences with which experiments of this sort have been attended, happened in the reign of Charles II. Many private ships had ventured to trade in India in defiance of the Company, and if some of them found their account in it, a contrary fate attended the majority. Their losses were, however, the least of the inconvenience; the officers and men conducted themselves with so much arrogance and impropriety, and created such disturbances, as at length to excite the general indignation of the Natives, and draw upon the English in general, the resentment of the Mogul, and other native powers; who, making no distinction betwixt the interlopers and the agents of the Company, waged war and seized on the Company's factories, and were on the brink of totally extirpating them from India, to the utter loss of the interests of the English nation there: And it was only by the interposition of Government, who sent a ship of war to seize on the interlopers, with a Proclamation to compel them to repair to the Company's factories, and submit to their jurisdiction, that after an interruption of five years, and the incurment of a heavy expence by the Company, the Country Powers were pacified, and order restored.

CHAPTER VIII.

The Present State of the Trade of foreign Countries with India and China.

THE *Portuguese*, the *Spaniards*, the *French*, the *Danes*, and the *Dutch*, have all, in their turn, participated in the benefits of the East India Commerce, each of them having obtained from the Country Powers the privilege of a Free Trade, and of making Settlements and Factories on the Peninsula of India, and the Islands contiguous, for the carrying it on. The Trade of the three last named has, for the most part, been conducted by a regular Trading Company nearly similar to our own; that of the Portuguese by Houses of Trade, or private Companies, and sometimes by rich Individuals, singly on their own Capitals. That of Spain has so dwindled, that of late we have scarcely heard of it. *Sweden* also has her India Company, so called; but we know of no Settlements possessed by her on the Asiatic Continent, and her Trade of late times has been chiefly, if not wholly confined to China and other parts to the Eastward of the Ganges.

For

For ſome years previous to and until the *paſſing* of the Commutation Act in 1784, and for ſome time afterwards, ſeveral of theſe Foreign Companies partook of the profits derived by the ſmuggling of teas into this Kingdom, by ſupplying it either direct from China to Oſtend, Dunkirk, and other convenient places, or by ſelling it to others for that purpoſe. In conſequence of the Commutation Act, and of lowering the Duties on Tea, the India Company were enabled to underſel the ſmuggler, and in a great degree to put an end to his traffick in that article. Our own regular imports in tea have ſince become more than doubled in quantity, to the diminution of the Carrying Trade of the *Swedes*, *Danes*, and the India Company of *Embden*, inſomuch as almoſt to annihilate thoſe Companies. That of *Embden*, if not wholly diſcontinued, is ſaid to be on the eve of becoming ſo, and another India Company in the Low Countries, called the Trieſte Company, has, after very great aids afforded her to ſupport her ſinking credit, and after loſing or ſpending her whole capital, intirely ſtopped trading.

The *Dutch Company* poſſeſs not only valuable and convenient Factories, and conſiderable poſſeſſions in India and other parts of Aſia, but alſo the whole of the ſpice trade, pepper excepted, and were for a long time the envy of their mercantile neighbours. At the commencement of the American war, the Dutch Company were rich, proſperous, and flouriſhing; but in the rupture of that nation with England the ſuperior power of the latter enabled them to ſeize their Settlements in India, and interrupt their Commerce, which brought their affairs into ſuch diſtreſs, that they muſt have been utterly ruined, if they had not been ſupported by loans from the States General to a very large amount, and from that period doubts have been entertained of their ever being able, with all the aid of their Spice monopoly and land revenues in Aſia and Africa, to diſcharge their Debts and reſtore their Credit.

The failures of ſucceſſive India Companies in *France* are too notorious to require any particular detail, notwithſtanding the advantageous Settlements of *Pondicherry*, the *Mauritius*, and *other parts*. Their preſent Company, by confining their whole attention to Trade alone, and by taking part of their ſupplies for the conſumption of France, by purchaſe of the Engliſh Company, have hitherto maintained their ground; but a war muſt inevitably throw them on the mercy of England.

Beſides the Trade carried on by theſe ſeveral Companies (for they were not always in the excluſion of the private merchant), there have been ſhips fitted out by private Adventurers from *Sweden*, *Denmark*, *Oſtend*, *France*, *Portugal*, and *America*. Some amongſt them may probably have been gainers; but we know the greater part have been great ſufferers, and upon the whole afford an uſeful leſſon to ſuch mercantile ſpeculators if they were wiſe enough to benefit by the experience or misfortune of others, who have wildly engaged in the diſtant and hazardous commerce of Aſia on ſmall capitals. As to *America*, if we may be allowed to judge by her preſent ſlackneſs in the proſecution of her commerce with

with India and China, or by the purchases she has been of late in the habit of making in Europe of Asiatic goods, and the losses she is known to have sustained by her cargoes of tea from Canton of the year 1789, there seems little probability of her carrying her commercial intercourse with those remote regions, at present, to any considerable extent.

CHAPTER IX.

The Returns of the Company's Trade anterior to their acquiring the Territories Abroad; the Effect produced by the Acquisition on their Exports and Imports; the present Amount of their Debts, and their Claims upon the Public for an Indemnification of their Expences incurred in acquiring and preserving the conquered Provinces.

ANTECEDENT to the year 1757, the sale amount of the Company's Imports had rarely, if at any time, exceeded two millions in any one year. Their foreign investments were provided for by sales or barter of their exported goods and bullion, and by money lent them by their servants in India on bills payable in London, which was the old method of remittance of money acquired in the Company's service. Thus we find the annual sales of the imports by the Company for sixteen years next preceding 1757, amounted to about £. 2,055,000 on the average; and that, for the same period, their exported goods and stores amounted annually, at their prime cost, to £. 238,000, and bullion, £. 690,000; and that they paid in discharge of bills of exchange, £. 190,000. If during that period the prime cost of the goods imported exceeded the amount of those three sums, the difference must have been paid by the profit on the sales of the goods exported, and by land rents and customs arising at their principal settlements. During the succeeding ten years, it should seem that the revenues of the new acquisitions afforded no profit to the Company; for though the produce of the sales of imports became increased to the amount of £. 2,150,000 annually on the average, and though the quantity of bullion exported was reduced to about £. 120,000 per ann. yet we find that the exports in goods and stores, and the money raised upon bills of exchange, were increased in a greater ratio, compared with the returns from abroad, the annual amount of each being as high as £. 430,000. From 1767 to 1777, the exports of bullion were about £. 110,000; of goods £. 490,000, and the sums raised on bills £. 458,000 per annum; and by the aid afforded from the revenues, the investments became so increased as to produce about £. 3,330,000 annually. From 1777 to 1784, the average sales of imports, notwithstanding the war, fell off in the proportion only of about £. 200,000 annually; the export in bullion was for that period very trifling; but the goods and stores exported were increased to about half a million, and the money raised upon bills to about £. 761,000 yearly. For the

the last eight years, the sale amount of imports has been £. 4,768,242 * annually on the medium; the amount paid for bullion £. 560,223, for goods and stores exported £. 753,976 †, and for bills of exchange £. 1,258,870 per annum. During the last 3 years the Sales have amounted to £. 5,094,535; the sums paid for bullion £. 464,046, for goods and stores £. 952,027, and for bills £. 737,465 per annum on the average.

The comparative profits of the Company's Trade were certainly more considerable before they made their conquests, in proportion to the amount of the capital employed, and the aggregate of the Sales of Imports, than at any time since. While their cargoes were less they were purchased at more moderate prices abroad, and came to a more profitable market at home. But, by doubling the Investments in India, as in fact they have been, their prime cost, by the increased demand, became enhanced, while their sale prices at home, by the increased quantity brought into the market, became reduced. The Company had however no choice; the surplus revenue in India could no otherwise be realized at home than through the medium of commerce; and although, on a strict scrutiny, it may probably be found, that many articles from Bengal have not produced in England the amount of their invoice prices and other charges upon them, so that in the hands of a private merchant, a loss would have been sustained, yet viewing the transaction as affecting the community, it will be found that whatever investments were produced from the territorial revenue, were a clear gain. With respect to the Coast Goods, and those from China, they have been chiefly purchased or bartered for as in former times; and by the influx of teas since the Commutation act, through the medium of fair trade, a larger profit has been derived.

The Territorial Revenue, including subsidies and the income of the Company's own property possessed antecedently to the year 1756, may be reckoned at *nearly seven million of Pounds Sterling per ann.* But as the countries can only be governed and maintained, and the revenues collected, by keeping up a large standing military force, and sundry civil establishments; and as experience has proved it to be the best œconomy to allow liberal stipends to the principal officers and servants, to place them beyond the reach of temptation to do amiss; the net surplus, after providing for all civil and military charges, and paying the annual interest of the subsisting debt, does not exceed, according to a computation laid before the House of Commons by the Court of Directors, the annual sum of £. 1,200,000. Be its amount what it may, the Reader may be assured that the specie of India has been so exhausted, that no part of the surplus, whatever may be its amount, can be

* Exclusive of sales of privileged and private trade, which on the same average amounted to £. 755,757 per ann. besides what has been smuggled. For the present state of the trade, in other particulars, see chap. 10.

† Exclusive of private trade carried out in thirty ships, which at £. 25,000 each, make £. 750,000 a year, besides illicit and clandestine trade by other ships.

 brought

brought in specie, nor can it be realized in England otherwise than through the medium of cargoes provided for the China or European markets.

With respect to the debts of the Company, their amount in India appears to be about *nine millions sterling*, and there being *available assets* in India equal to the discharge of something more than *two millions*, there remains about *seven millions* as a charge on the other assets and future revenues. This debt was incurred by war, and stands wholly unconnected with the Company's commerce.

Their debts at home, beyond the value of assets applicable to their immediate discharge, amount to upwards of *four millions*, of which £.3,200,000 is their standing bonded debt, authorized by Acts of Parliament.

We have already taken occasion to observe, that the claim of the Public to the territories in India acquired by conquest, is subject not only to the outstanding demands of the Company's creditors, but also to an equitable claim by the Company themselves. The justice of that of the creditors manifests itself too strongly to require any illustration or argument, and will doubtless obtain from a British Parliament, whenever it shall exercise its wisdom in providing any New System for the future administration of India, a suitable indemnification. The claim of the Company appears also equally intitled to the regard and support of the Legislature, since it is clear and evident, that in consequence of the unavoidable expences they have been put to by the wars in India, their Capital Stock has been twice increased by new subscriptions, as well as their Bond Debt, to enable them to carry on their Trade; at the same time their dividends have continued only at £. 8 per cent.

Under such circumstances we can entertain no doubt but, from the candour and justice of Parliament, the territorial revenues of India will be so appropriated, in any new arrangement that may be made, as to provide for the existing debts abroad, and some reasonable compensation for such part of the debts at home as the Company shall be able to make appear they have disbursed in acquiring and protecting the provinces, beyond what has been produced to the Company from those revenues.

CHAPTER X.

The Nature and Extent of the Trade of the Company to India and China, with an Account of the Shipping employed in it.

EXPORTS.

WE had nearly completed the account we intended to have given of the several species, quantities, and values of the goods exported by the Company, when the House of Commons relieved us from that labour, by ordering * the three very able and satisfactory Reports, lately made on the subject to the Board of Commerce, by the Court of Directors, to be printed. These Reports have also, for their more extensive promulgation, been again printed by order of the Company. We shall therefore avail ourselves of the authentic accounts they contain, by stating a brief recital of their contents in general, but with a recommendation to our Readers to have recourse to the Reports themselves, as containing many matters, omitted by us, regarding the Trade of the Company at large, highly important to be known.

From the first of these Reports we collect these particulars:

That the Bulk of the Exports consists of,
Camblets, cloth, and other woollens; metals (particularly tin, lead, and copper); naval and military stores; and silver in bullion.

That the Company reserve to themselves the exclusive export of cloth, woollens, copper, bullion, and military stores; and also clocks, toys, and other articles ornamented with jewels.

That other articles † exported from hence, are chiefly purchased in India by Europeans for their own consumption, and are carried abroad in what is called

* 3d January 1793.

† A List of Articles exported in Private Trade.

Anchors,
Bar iron,
Bulgia hides,
Brandy,
Beer,
Boots and shoes,
Braziery,
Buntin,
Block tin,
Cyder,
Cherry brandy,
Canvas,
Cutlery,
Cards,
Cordage,
Cabinet ware,
Clocks,
Cochineal,
Carriages,
Carpets,
Cloth cuttings,
Confectionary,
Copper,
Drugs,
Earthen ware,
Furs,
Glass ware,
Gunpowder,
Glass beads,
Ginseng,
Grapnals,
Gold thread,
Gold lace,

Haberdashery,

called *Private Trade* *, by the Commanders and officers of the Company's ships.

That besides what are exported by the Company, and the Private Traders, regularly registered, abundance of British goods find their way to India, both by illicit Trade carried on directly from hence, and also by what is termed *Clandestine Trade*, carried on from various parts of the continent of Europe in British ships, under foreign colours.

That with a laudable zeal for the public good, by promoting the extension of exports of British manufactures, the Company have continued to export, both to India and China, large quantities, particularly of woollens, though the sale of them has not produced sufficient to repay the prime cost and all charges †: have repeatedly commanded their commercial Boards in India, *to indent* for as many as can be sold *without an actual loss*, making these commands in effect *their standing order*: have greatly enlarged the privilege of their commanders and officers, in respect to export goods, making them freight-free; and used, and continue to use, every endeavour to open new channels for the introduction of British goods in various parts beyond the peninsula of India; the result of which, as far as can be yet known, is given in these Reports: And it may be fairly inferred, that the Company's warehouses in *Bengal*, *Madras*, and *Bombay*, are always supplied with *more woollens* than can be sold to a profit, from the circumstance of there having been great numbers

Haberdashery,
Hats,
Hosiery,
Hardware,
Ironmongery,
Lines and twine,
Lead shot,
Millenery,
Mathematical, and musical instruments,
Manchester goods,
Mustard,
Orsidew,
Oil,
Perry,
Painter's colours,
Plated ware,
Plate glass,
Perfumery,
Pickles,
Prussian blue,
Prints,
Quick-silver,
Rum,
Red lead,
Remnants of Cloths,
Snuff,
Sadlery,
Steel,
Sheet lead,
Smalts,
Sword blades,
Stationary,
Ship-chandlery,
Turnery,
Tin ware,
Pig lead,
Rod iron,
Tin plates,
Wine,
Wooden toys,
Window glass,
Wrought plate, and
White lead.

And to China,

Skins, and furs,
Jewellery, toys, watches, some woollens, and silver.

* The Company may lawfully licence whom they please to trade in the East Indies. The officers and subordinates of their ships, being *Thirty* in number for every ship, are allowed the benefit of it, both in Export and Import, according to their different ranks or births. This is called *Private Trade*, and what they pay for this permission, and in lieu of freight, is called *Company's Duties*, and forms an article of the Company's profits. The servants abroad are also frequently permitted to remit home their fortunes in merchandize, for which they pay a freight to the Company. This latter Trade is distinguished from the former by the name of *Privileged Trade*.

† The loss by woollens from 1784 to 1790, exported to India, after allowing for all charges of freight, insurance, interest of money, &c. is computed £.37,790, and the loss on those exported to China at £.61,877 in the same period.

of bales of different sorts, remaining at all times in each of those warehouses, for want of purchasers, the total value of which in 1789-90 was £. 167,761 †.

The Report on the India Trade, does not give the particulars of all the Exports of the Company thither, but of *woollens* and *metals*, and such part of the Private Trade as is registered. It does not give the quantity or invoice of naval and military stores, sent either as merchandize, or as supplies for the navy, army, and garrisons abroad; nor of what may be taken thither from Europe illicitly or clandestinely, beyond what is registered: it is admitted, that the excess is so different in every ship, and so fluctuating, as to baffle all computation. We are however, by other authentic documents*, enabled to state, that the prime cost or invoice of goods and merchandize of the growth, produce, or manufacture of Great Britain and Ireland, annually exported to India and China, by the Company alone, including naval and military stores, which are also of our own manufacture, taken for the average of the last six years, have amounted to upwards of £. 900,000 per ann. *exclusively of bullion*; and that the export of goods to China, in barter for teas, has in that period been greatly increased, while that of bullion has decreased in an equal or greater proportion; and it is computed that the Private Trade, registered and not registered, has amounted, for the same period, to £. 750,000 per ann. at the least, taking it only at the low computation for thirty ships annually, of £. 25,000 each; so that the exports of British goods to India and China may be computed at £. 1,650,000 per annum.

IMPORTS.

The goods imported by the Company from *India* consist chiefly, of muslins, callicoes, and other piece-goods ‡, raw-silk, cotton, indigo, pepper, salt-petre, ophium, and various sorts of drugs; and from *China*, tea, coffee, and japan and China ware: other articles are doubtless brought both from India and China, but they are of a trifling comparative value: *Sugar* has occasionally been imported in small quantities, but it has been the policy of Government, in order to discourage (as it is thought) the introduction of sugar from the East Indies, as an article either of commerce, or for consumption, to the injury of the *West India* Planters, to lay a protecting duty on it of £. 37 16 *s.* 3 *d.* at *the selling price*, while the West India sugars pay only after the rate of 15 *s.*

† The First Report is confined to the Trade with India; the Second, to that of China; and the Third, to Japan and Persia. In the two last are contained connected narratives of our commercial intercourse in those parts, the nature and extent of our trade with China, and the delicate footing on which it stands; with Remarks, shewing the dangerous tendency of making new experiments with the Chinese: And in the third Report are shewn the difficulties which obstruct the extension of British commerce with Persia and Japan.

* Accounts presented to the House of Commons in February 1793.

‡ *Wrought Silks*, *Bengal Stuffs mixt with Silk*, or *Herba*, and *printed Callicoes*, brought from *India*, *China*, or *Persia*, are prohibited from being worn in Great Britain. But they pay a duty, though they are again exported. The importation of *Thrown Silk* is also prohibited.

per

per one hundred weight. This difference in the duty at the present enhanced price of sugar, with the high freight paid by the Company on their Bengal ships, virtually destroys all competition, and amounts in effect to a prohibition: Otherwise, it is asserted that, Bengal alone, might, in a few years, be made to furnish far more sugar than would supply our own consumption; and that, setting aside the duty, the sugars of the East Indies might be imported, both for consumption and exportation, to the profit of the importers, and reduction in the present enormous price of that useful, not to say necessary article of life. But if any great quantity were to be brought from Bengal, until produced by new plantations, it would doubtless be felt by the Natives as a grievance, depriving them of a principal means of rearing their children, whose support, while young, depends very greatly upon the sugar-cane.

To shew the *immense gain* derived to this Country, by the import trade of the East India Company, (a gain which disseminates itself through every branch of manufacture, and affords, in all its consequences, a constant employment to some thousands of our valuable artificers and workmen,) we will endeavour to state the whole in as clear a point of view as possible, taken on the average of the years 1788, 1789, and 1790, and also on the average of the years 1791, 1792, and 1793, giving distinctly the totals of the sums paid by the Company for prime cost, and the customs and excise thereon, and the freight and demorrage, and charges of merchandize, with the total of those articles collected; and lastly, the amount of sales for the same period. But it must be remembered, that though the gains to the community may be computed from this datum, those of the Company cannot, as they depend on various circumstances, which require a distinct investigation.

Average of the Company's own Trade, from 1st March 1787, to Ditto, 1790.

Invoice, or Prime Cost abroad.	Customs.	Freight and Demorrage.	Charges of Merchandize.	Total.	Amount of Sales.
£.	£.	£.	£.	£.	£.
2,547,848	521,883	736,275	270,675	4,076,681	4,511,262

Average of the Company's own Trade, from 1st March 1790, to Ditto, 1793.

£.	£.	£.	£.	£.	£.
2,550,728	612,231	717,453	306,185	4,186,597	5,103,094

N. B. The Company do not insure their Ships or Merchandize, and therefore no premium of insurance is included in the charges of Merchandize, nor any interest for the capital employed.

To

To the preceding are to be added the imports on the *Private* and *Privileged* Trade. The freight and demorrage, and charges of merchandize are included in the above account. Their prime cost can be known only to the parties concerned; but their sale amount, and the customs paid, taken on the average for the following periods, were as follows:

	Customs. £.	Sale Amount. £.
The annual average of Private and Privileged Trade, from 1787 to 1790, being three years, was —	150,482	855,796
Ditto from 1790 to 1793, average of three years,	100,873	773,376

Besides the duties of customs contained in the above accounts, the following further duties were paid, amounting, on the average of each year, taken for five years from 1st March 1787 to ditto, 1792, to the sums following:

Excise on Arrack, &c.	Inland Duties on Pepper consumed in England.	Customs and Inland Duties on Tea and Coffee.	Customs on Wines.	Totals.
£.	£.	£.	£.	£.
81,765	14,930	334,960	6,894	438,549

The whole average amount of the customs, and inland duties on the import trade of India and China to Great Britain, may therefore be fairly estimated at £. 1,050,000 per annum, and the sale amount thereof at £. 5,850,000 per annum. It is computed, that the sale amount of the Company's own imports, for the current year, will amount to 5½ millions.

The duties, however, here stated, do not wholly stop at the Exchequer. A great proportion of the merchandize from India, and probably about one tenth part of the tea imported from China, is exported to Ireland, and foreign parts; the drawbacks and bounties on which, considerably diminish the amount of the duties paid by the Company on their importation. It would, for many obvious reasons, be extremely difficult, if not impracticable, to discover with exact certainty, the nett amount of the duties on the merchandize of India and China, which has remained after those deductions. An account of

of this nature was made for the year 1788, and by an actual and very laborious collection from the books of the custom house, it was computed that out of £.750,000 paid by the Company for customs, on the imports sold at their sales, £.330,000 had been repaid for drawbacks and bounties*. We are not, however, to conclude, that either the revenue or the country are ultimately injured by the diminution. The export of India goods forms no inconsiderable part of our carrying trade to other countries, giving additional employment to our shipping, and affording commercial profits to our merchants, who, in return for the India goods exported, bring other valuable commodities, sufficient to return in customs, a sum probably equal to that, which may have been paid in drawbacks and bounty. Other advantages also result to the dealers, and others, by the profits on the re-sales, by carriage and agency; and the Port of London being thus made the chief depôt for the supply of Europe, and of many parts of Africa and America, of the merchandize of the East, is necessarily resorted to by foreign merchants for its purchases, who, at the same time, buy various commodities of our own manufacture, which would probably not otherwise have been called for, by all which the national prosperity is promoted.

SHIPPING.

NINETY-TWO Ships are at this time employed by the Company, abroad and at home, in the Carrying Trade to India and China, the measurement of which is 81,179 Tons. The average complement of Officers and Subordinates is 30, and of Seamen 100 for each Ship, making 2,760 Officers and Subordinates, and 9,200 Seamen. Besides these, the Shipping employed in the Asiatic Seas, in what is termed "*the Country Trade*," is very considerable. The Reader will readily conceive, that to keep so numerous a Fleet of large Merchantmen afloat, for such long voyages, must create employment for a vast number of artificers in various branches of trade, and also occasion the consumption of a great quantity of materials manufactured and unmanufactured, not to mention the expences of victualling, &c. The extent of the employment it affords, and of the materials it consumes, may be estimated by the amount already given, of what has been paid by the Company under the head of Freight and Demorrage.

* It may be taken for granted, that, upon the average of five years, the annual returns of duties in drawback and bounty, are equal to two parts in five of the whole amount of customs and inland duties paid on East India and China goods.

Since the former Edition of this Tract, we have been favored with a most comprehensive and satisfactory detail of the sales of the Company's imports, including private Trade, the quantities thereof exported, and the quantities retained for home consumption for four years, with the totals of the drawbacks. A paper so useful, and coming as it does from the most respectable authority, cannot fail of being highly acceptable to the reader; we have therefore given it a place at the end of these sheets. To this the Public are indebted, as indeed they are to the many improvements introduced in the mode of keeping the accounts of the King's duties, by which alone satisfactory information on similar subjects of intricacy can be obtained, to the zeal talents and assiduity of Mr. Irving, the Inspector General of the Customs.

In

In bringing forward the foregoing Statements of the Import and Export Trade and Shipping of the India Company, which, it is trusted, will stand the test of the strictest scrutiny. The Writer is not influenced by any selfish or partial motives, but purely by a desire of communicating to his Readers a faithful account of the nature and extent of this branch of British Commerce, that every man, by knowing its nature and magnitude, may be properly impressed with a just estimate of its immense value and importance, in whatever view it be considered, whether as furnishing a regular permanent supply of raw materials for our Manufacturers, and a uniform annual export of their productions, or as affording constant employment and livelihood to a considerable proportion of the inhabitants of this country, or as aiding our public revenues and the Carrying Trade of the country in re-exportation to Foreign Parts, and furnishing various articles of comfort and luxury to all ranks and degrees of people, of the production of the East, at reasonable prices; from which it is easy to perceive the necessity there is for the greatest degree of circumspection being used in the introducing of any Change of System, which might hazard the loss, or divert the channels of this very valuable and important branch of British Commerce.

CHAPTER XI.

Respecting the Profits derived by the Company from their Trade.

THE accounts which have been published do not furnish the means of computing, with any degree of accuracy, the Profit and Loss upon *the Export Trade.* This defect is occasioned by the merchandize being blended with military and warlike stores, and the want of a specification what part of the stores was sold or what part of them was converted to the use of the forces and garrisons. The charges of merchandize are also blended with the expences of raising and maintaining recruits, and conveying them to India; and with gratuities, pensions, law charges, and other disbursements of various kinds. In the year 1780 it appeared, that the Export Trade, and the Company's duty on Private Trade, had, upon the medium for some years before, cleared a profit equal to an annual dividend of £.2 12*s.* 6*d.* per cent. on the old capital of £.3,200,000; the profits derived by the Exports to China* since that time have not been ascertained; and with respect to the Exports to India, it may be doubted if they now yield any real profit. For although warlike stores, and metals, ammunition, and other articles, produce something considerable, that profit is, in a great degree, if not intirely absorbed in the losses on other goods, damages and charges of merchandize, and interest of the money paid on the outfit.

Of

* The profits on these have been computed at £.65,000 per annum.

Of the † *Import Goods* from India and China for the years 1791, 1792, and 1793, the produce of the Sales appears to have exceeded the invoice thereof, with the customs, freight, and charges of merchandize paid thereout, by £.2,749,491, the yearly average whereof is £.916,497.

The next article of profit arises from a duty so called of £.5 per cent. which the Company are authorised by law ‡ to take towards the expences of supporting the Factories, maintaining Ambassadors, &c. in India, on the value of India Goods imported by the *Private Traders*. The *privileged* as well as the *private Trade* of the Company's Officers pay this duty, and also 2 per cent. more *ad valorem* for warehouse room and in lieu of other charges of merchandize on these goods, and the *privileged Trade* pays the Company at the rate of £.15 *per ton* homeward for freight and demorrage; from hence the Company derive about £.70,000 a year, besides the £.15 per ton for freight, and although the sum produced may in appearance form part of their mercantile Funds, as an article of profit, it has not in reality a feature of real profit in it; because if the private and privileged Trade were to be charged with a due share of the expences of supporting the Settlements and Ambassadors abroad, and warehouses, &c. at home, apportioned by its amount *ad valorem* to the Company's own Trade, the Sum falling on the private and privileged Trade would be much larger than it is *. And it is owing to the manner in which this duty making 7 per cent. is charged in the Company's Accounts, that gives it the appearance of a profit, when in reality it is only part of the sum charged against their own Trade, under the heads of Freight and Charges of merchandize, and ought more properly to be subtracted from them. We have been thus particular in explaining the nature of this duty, because the custom house officers have complained of it as holding out an additional temptation to the smugglers of private Trade, to avoid the customs and this duty likewise. And we must confess, that if the private and privileged Trade were to be charged, in lieu of freight and other charges, a duty of tonnage, which should not depend as the Company's duty now does upon the actual lodgment of the goods in the Company's warehouses, the excitement to running the goods would in some degree be lessened.

The only further article of profit at home is the unsold part of the Company's *Annuity* from Government, and the Allowance for Management, making together £.57,913 16*s.* per annum.

The *old Settlements* of the Company in India properly form a part of their Commercial Estate. But the revenues of them, since the obtaining the Dewannee of Bengal, have been so blended with those of the Dewannee, and other conquered or ceded territories, as to make it impracticable, to state what they amount to at present. It does, however, appear, by the printed Reports

† Printed Papers, No. 28. ‡ By act 9 & 10 W. 3. ch. 44. s. 76.

* The Commercial Charges, at the several Settlements in India, amount to 8 per Cent. on the Cost of the Investment; and the Charges of Merchandize at Home to 6 per Cent. on the Sale. Printed Accounts No. 3. & 4. of 20th February, 1793.

of

Which income (except the temporary use of the sum necessary to be realized in Great Britain for the benefit of the Public, through the medium of the Company's Commerce) is unconnected with, and independent of, the Dewannee revenues of Bengal, Bahar, and Orissa, and the new acquisitions from Tippoo Sultaun in the Carnatic, all belonging to the Public; and the only deductions to be made from it are, the interest on the bond debt, and on bills of exchange and occasional loans, and such other articles of disbursement, as have not been already placed under the head of Charges of Merchandize, the whole of which cannot exceed, communibus annis, on a very liberal estimate, £.200,000 per annum.

We are unable to state with certainty the profit on goods exported to China; it must, however, be observed, that the amount of that profit can be realized only by the sales of the Teas in England; although it has been estimated that there is a profit on the sale of those exports of £.65,000 a year, nothing is included, on that account, in these statements, there being no official document to refer to.

CHAPTER XII.

A concise View of the Company's Affairs, in their distinct Capacities of Sovereigns *and* Merchants.

ON the Compact * of 1781 for enlarging the term in the exclusive Trade, the funds arising by the *net surplus of the Territorial Revenues and profits of Trade*, after payment of a dividend of 8 per cent. to the Proprietors of India Stock, were to be applied, *three fourths* to the Public, and *the remaining fourth* to the Company. By the continuation of the war, and the increased establishments, civil and military, in India, between 1779 and 1782, those funds fell greatly deficient to defray the expences. In 1783 the Public agreed to forego any participation of the above funds until certain debts should be discharged; and by *the Relief-Act* of 1784 the participation, as settled in 1781, was to be resumed, as soon as the debts therein specified were paid, and the bond debt reduced to £.1,500,000. The Peace with *Tippoo Sultaun* was not concluded till March 1784, and it was a considerable time after the treaty before the troops were completely reduced to the peace establishment, and properly stationed. It has since proved, that if the whole of the debt incurred by the war, beyond the revenues which had been received, could have been brought forwards at an early period, they would not have fallen much short of *Eleven* Millions. Upwards of *Four* Millions of it have been since discharged or transferred home, and from the accounts lately printed by order of the House of Commons, it may be

* Acts 21 Geo. III. Ch. 65.——23 Geo. III. Ch. 83.——24 Geo. III. Ch. 34.

1794), they would still remain an incorporated Company *in perpetuity*, with the exclusive property and possession of *Calcutta, and Fort William, Madras and Fort St. George, Bombay, Bencoolen, and St. Helena*, and various other Settlements and landed Estates in India, and also a right of trading thither, *with a Joint Stock*, together with all their repositories and other conveniencies adapted to their commerce, and the preservation of their merchandize, both abroad and at home. The only privileges they can be constitutionally deprived of, are those of trading *to the exclusion of others*, and of *governing* the countries, and collecting and appropriating the *revenues* of India. Whether, in the event of the *sole Trade* being determined, individuals would be able to carry on a successful trade to India, if the Company were to debar them the use of their *Ports* and *Factories*, may require a serious consideration.

The exports of the Company in woollens, metals, warlike stores, and other goods, of the growth, produce, or manufacture of Great Britain or Ireland, have gradually increased since 1757, from £. 230,000 to 900,000 a year, and the private trade is computed at £. 750,000 more, making together £. 1,650,000. Great exertions have been made, and are still making, to open new channels in the Eastern Seas for a further increase of exports of our manufactures. The imports have been extended in a greater proportion than the exports. Before the year 1757, the sales of imported goods produced only about £. 2,000,000 a year; and in 1767, not more than £. 2,300,000 a year including the duties on teas. During the last eight years the imports have amounted to nearly *five millions* a year, exclusively of those duties, besides Private Trade, which has produced £. 800,000 per ann.; and this year the Company's sales are estimated at * upwards of 5 ½ Millions, exclusively of all private and privileged Trade. The annual payment to ship-owners, for freight and demorrage, have been extended in an equal proportion; and on a yearly average for the last four years, it has exceeded £. 800,000 a year, and other charges of merchandize paid to individuals have exceeded £. 360,000 a year. The gross annual amount of customs and excise on the goods imported by the Company's ships, including the Private Trade, has exceeded £. 1,000,000 a year, and though probably £. 400,000, or £. 430,000 a year of that sum has been repaid in drawbacks and bounties, on the exports of goods, partly unmanufactured and partly manufactured in England with the raw materials of India, it hath been amply repaid to the Community by the employment afforded to our own manufacturers, by the gains made by exporters and dealers, by profits arising from carriage and agency, by the means to which the exports from hence of Asiatic merchandize have contributed, towards securing the general Balance of Trade in our favour; and, lastly, by the returns brought back of valuable articles of merchandize, liable to customs and inland duties.

* Printed Paper, N° 10, computes the sum to be received by sales between March 1793 and March 1794 at £. 5,400,000. The sale amount cannot therefore be estimated at much short of 5 ½ Millions.

The

The British shipping employed at this time by the Company, exceeds 81,000 tons; the number of ships is ninety-two; their whole complement in officers and subordinates 2,760, and of seamen 9,200; of the latter, not less than 7,000 are in constant employment.

Each of these officers and subordinates has a limited privilege of trading, both outward and homeward, according to their rank or birth in the ship, and their number being added to the Proprietors of India Stock, (consisting of more than 2,700 persons) and to the servants of the Company abroad, who have also indulgences of trading, the whole number of persons, who participate directly and immediately in the India and China Trade by the Company's ships, may be fairly computed at 6,000; and whilst this immense Trade has been maintained and supported at the sole risk of the Company, whose Members have received no other benefit, than moderate interest for the capital employed, the Public have derived, in direct revenue, and in various different shapes, every other * species of profit and advantage produced by it.

The superior advantages resulting from the system of regularity, established for the conduct of the Company's Trade, over a loose precarious outfit, are also numerous. The demand for manufactured goods is regular and uniform, affording constant work to the hands employed in the making of them. Those, with whom the Company have dealings, are certain of liberal treatment, and punctual payment. Tradesmen, artificers, and manufacturers, emulate for their custom. The number of families in London and its environs, whose whole support is dependent on the Company's Trade, is great beyond conception. Their mercantile establishments in England and Abroad, though conducted (if we except the article of freight) upon strict rules of economy, are immense. The India House, and their numerous warehouses, are filled with persons bred up to the business from their infancy; and if they were to be deprived of it, the greater number, men of respectable characters and irreproachable conduct, must be reduced to want or distress. It would be almost endless to enumerate the tradesmen, artificers, and others, who, by the means of this regular, and as it were, fixed trade, earn and obtain honest livelihoods in building, rigging, and careening of ships, and furnishing guns, anchors,

* The Company's profits by a dividend of eight per cent. on a capital of five millions, is per ann. £.400,000 only.

Paid to the merchants and ship owners on an average of five years	—	800,000
Paid for charges of merchandize ditto ditto	—	360,000
Paid for export goods sent abroad, including Private Trade	—	1,650,000
Paid for customs and excise on an average of four years	—	1,060,000
Annual benefit to the nation	—	3,870,000

Exclusively of the advantages derived by the raw materials of India manufactured in Great Britain, and the profits by exporting India and China merchandize.

timber, iron, sails, cordage, and various other sorts of implements and tackle used therein.

Well calculated, however, as the present system may appear, for securing a continuance of the advantages, we have endeavoured to describe, the Company, when they come to Parliament with their Proposals for an extension of their term in the exclusive Trade, will probably find themselves surrounded by many opponents, and on various grounds. Merchants and ship owners from different quarters, but more particulary from the Out-ports, may urge, that their exclusion from a participation in the benefits of the Asiatic Trade, is repugnant to the spirit of the British constitution, which declares, that the seas shall be free and open to all; and that it is highly injurious to the commercial interests of the rest of the Three Kingdoms, that this Trade should be limited, in all its imports and exports, to the metropolis alone. Manufacturers of various descriptions may think it for their interest, to unite their support with the merchants, on these general and plausible grounds, for an Open Trade. They may likewise, according to their different views of aggrandizement (in the event of the failure of their most favourite plan) insist on the justice and expediency, of laying the Company under various restrictions and prohibitions. The cotton manufacturer may be anxious to destroy all competition and rivalship to his trade, both at home and abroad, more particularly in the article of muslins; to what extent he will claim or expect this indulgence, whether to the putting a stop to the making of muslins in India, or only a prohibition against their being worn in England, time will discover. The woollen manufacturer may complain of the partiality, which he experiences (a partiality inseparable from an exclusive Trade), by the option it leaves in the conductors of it, to deal with particular customers to the exclusion of others. The ship owners may, on similar grounds, revive their complaints, and urge the propriety of laying the Company under an obligation, to charter their ships according to the lowest offers. And as the Company, like other exporters of woollen cloth, are in the habit of buying it, in an unfinished state, and employing pressers and packers to perfect it, the manufacturers of it may possibly think, that the Company ought to be restricted, in that respect, in order to add to his profits, those of the packer and presser. The tin merchant, and miners in Cornwall (regardless of the services so recently afforded them, through the medium and at the risk of the India Company, whereby alone their distresses could be effectually* relieved), may think it but a small and reasonable sacrifice, for the Company to make in their favour, to be laid under an obligation, to purchase and export all the tin they may raise, at some fixed price, or in the alternative, that the ships of individuals may be licensed to take it abroad, and barter it for teas and other China commodities. Other descriptions of persons, on similar grounds of profit and aggrandizement, may, in like manner, come forward, and urge pretensions for

* Alluding to the immense export of Tin by the India Company to China at a time when most of the miners, for want of employment, were in great distress, and the repositories of the tin merchants filled with tin without any prospect of their finding purchasers for it.

other

other regulations or reſtrictions, not yet foreſeen. We know, by every day's experience, that nothing is more eaſy than to procure hands to Petitions, and when preſented to Parliament, the petitioners have, one and all, a right to be heard, and have an equal claim to its patience, its candour, and its juſtice; nor can any doubt be entertained, but their petitions, and the proofs they ſhall adduce, will have every conſideration paid to them, that may be found due to their merit.

On the grand point, that of opening the Trade altogether, we have as yet ſeen no ſpecific well digeſted plan offered to the public eye. It, however, can hardly be ſuppoſed, that even the moſt zealous advocates for a new ſyſtem, can be deſirous of ſeeing the preſent mode of conducting the Trade determined, and the future Trade left *to hazard and chance*. A meaſure more prepoſterous and abſurd, nor any ſo fraught with ruin and miſchief to the general intereſts of the empire, as affecting the *political*, the *mercantile*, and the *financial* concerns, both of *Great Britain* and *India*, could not be deviſed or imagined by an enemy to both. A new excluſive *Joint Stock Company* (without adverting to the conſideration, whether any better than the preſent could be framed) could not, we think, be eſtabliſhed, but in direct ſubverſion of thoſe principles of juſtice and public œconomy, which, by analogy to other caſes, where the property or intereſts of individuals are made to give way to the accompliſhment of great and important deſigns, eſſential to public convenience and utility, have ever guided and governed the conduct of the Britiſh Senate. To ſuch as may contemplate a new *Joint Stock Company*, it may be aſked, if the public purſe can be made chargeable for the value and amount of the property and immoveable effects of the preſent Company, abroad and at home? Or, can a new ſubſcription be expected to ſucceed equal to the amount both of their *Value* and *Capital* neceſſary and ſufficient for a trading Stock? And, how or by what *Tribunal*, or after what *Datum* ſhall a *Value* be fixed on the antient poſſeſſions and eſtates of the Company in India, and on thoſe *indefinite Rights*, which muſt unavoidably be made to ceaſe, upon the creation and inveſtiture of any new excluſive *Joint Stock Company*; and in what reſpect have the preſent Company ſo forfeited that *preference* to the public favour, which their long poſſeſſion of the Trade, and the ſervices they have rendered to the community, ſeem ſo juſtly to intitle them to, if they ſhall be deſirous of continuing it; ſubject, however, to any further regulations and reſtrictions, which may be thought needful, and not being degrading to the character and pre-eminence, they have ſo long held and ſupported in India?

With regard to a regulated Company, unleſs it were known on what principles it were intended, and whether to the excluſion of the preſent Company, or for the purpoſe of rivalſhip and competition, it would be premature to offer any remarks upon it.

We have hitherto confined our obſervations to what has relation only to the Mercantile Character and Concerns of the Company; but in deciding on the

expediency

expediency of the queſtion, whether any change or innovation (beyond mere matter of regulation) can with ſafety be adopted, it is eſſentially neceſſary to inquire, in what degree it might have a tendency to ſhake Public Credit, by rendering the revenues derived from the Trade of Aſia precarious and uncertain. At preſent, as far as the Company's *own merchandize* is concerned, the Duties and *Cuſtoms* have been and will doubtleſs continue, ſecure from all poſſibility of fraud. By a few wholeſome proviſions, the Duties on the *private* and *privileged Trade*, we think, may be equally protected. Some of the moſt valuable of the articles, and on which the Duties are higheſt, lie within ſo narrow a compaſs, as to make them eaſily portable; and if the fact be true (as it has been alleged and is generally believed) that a major part of theſe articles, and often others, though more bulky, are clandeſtinely imported from the Continent, by which the Public are defrauded of duties, to a large amount, it muſt be left to our Readers to judge, what pernicious effects might not be produced on the Revenue of Cuſtoms, if the Trade was to be ſo far laid open, as to admit of the landing the goods of India and China at any of the ports of Great Britain or Ireland, at the option of the owner or maſter. Under any other mode of Trade, whether open, or under a regulated Company, there ſeems to be but one way of guarding againſt this evil, and in that the remedy would probably be deemed worſe than the diſeaſe. It is by lowering the duties, ſo as to render them unequal to the riſque and inſurance of the ſmuggler. This, however, might obviouſly defeat the very intent of impoſing the preſent duties, whether prohibitory or protecting. And here we cannot help adverting to the complaint of ſome of the Cotton Manufacturers, who vainly think, that by prohibiting the importation of India Muſlins, their conſumption here might be prevented. To encourage that new branch of Trade, *raw Cotton* is already allowed to be imported *free from duty*; nor is Britiſh Muſlin liable to any (unleſs dyed of more than one colour), whilſt India Muſlins pay a protecting Duty of *eighteen per cent. ad valorem, on importation*; and if they are exported, only *ten* of it is returned *in drawback*. This Duty has at all times been more than * ſufficient to cover inſurance by the ſmuggler to the dealer. It is therefore obvious, that if the conſumption of India Muſlins is at preſent injurious to our own Manufacture, the lowering the duty, though it may be the means of ſecuring and increaſing the Revenue on Muſlins, muſt have the effect of increaſing the conſumption, and of courſe the evil complained of will remain unremedied. And ſuch we think (in deference to the better judgment of thoſe who complain) muſt for ever be the caſe, until Britiſh Muſlins can obtain a preference in the Market to thoſe of India in their texture and price; or unleſs the poor Natives of India ſhall be forbid to reap any fruits by their ingenuity and induſtry. For undoubtedly, while the Natives are not prohibited from making Muſlins, and while their Goods are

* It is univerſally known, that the inſurance on India Muſlins, ſmuggled from Oſtend or Dunkirk into a dealer's ſhop in London, rarely exceeds £. 14 per cent. in which every expence is covered. It is computed that we pay four millions of pounds ſterling per annum for cotton, and that the goods manufactured with it *ſell for ſixteen millions, while the whole quantity* of India Muſlins ſold for Conſumption, has fallen conſiderably ſhort of £. 400,000. It is the fineneſs and excellence of the Indian Goods that can alone preſerve the faſhion.

preferred

preferred to British Muslins, they will find their way to Europe in spite of any laws we can make; and prohibitions will only have the effect of transferring the benefit now derived by the Trade in *India Muslins* from the Company and the dealers and exporters of them, into the hands of Foreigners. The prohibition might also have the effect of making Muslins unfashionable to the utter ruin of the Trade.

That under a regulated Company, it would be impracticable to frame provisions, for securing the Duties in general from frauds, we by no means assert. It seems sufficient, to point out in what respect they may be improved under the present Company, and on the other hand how they may become more exposed than at present to evasion and fraud, and more particularly if the Trade shall become diffused, and conducted at many different ports by various hands.

Above all, it will be expedient to consider how far any material innovation on the present system of our Asiatic Commerce, may have a tendency to affect the political connection between Great Britain and India. It is well known, that the affairs of Government, Revenue, and Commerce, in the Provinces abroad, are become blended and intimately connected, each in its turn aiding and supporting the others, and that they cannot be separated without putting the whole to hazard, nor in any event without incurring considerable inconvenience and certain loss. At the time of our first obtaining these territories, it required no extraordinary degree of penetration to foresee, that *ten* or *eleven* millions of people, situate at so distant a part of the globe, attached to laws and institutions founded on superstition, and widely differing from those of their Conquerors, were not likely to submit to a New Government, and New Laws, administered in the Name of a Christian Prince, as their Conqueror, resident they knew not where but by name. To reconcile their minds, by quieting their fears and apprehensions, and to prevent, as much as possible, their feeling the change of their condition, the wise and politic as well as benevolent medium, was adopted of surrendering back, in appearance, the conquered territories to their native owners, and accepting, as a kind of trust from the reigning Mogul, the office of Duan, or High Treasurer and Collector of the Revenues arising from them, upon an engagement to protect the Country from enemies, to pay the expences of the *native* Civil Government, and to contribute to the splendor and authority of the Mogul's Court, and the Defence of his Empire, leaving the Civil Government to go on and be administered in the name of the Mogul and his Subah or Nabob. Conformably to this engagement, the Government of the Provinces has been continued to the present time. The British influence is indeed paramount, but in the public Archives of the Country, all matters which relate *to civil and criminal Judicature* appear as if conducted solely by, and in the name of, the Mogul or his native officers; and all municipal concerns are decided by the Laws of the Natives, those between Mussulmen by their Magistrates, and according to the Laws of the Koran, and those between Hindoos and Gentoos by the Shaster; nor of

late time have the Company's Officers interposed their authority over the Native Magistrates, but with a sparing hand, and on urgent occasions.

The revenues of these territories, namely, of Bengal, Bahar, Orissa, Benares, Madras, and Bombay, with the subsidies of the several Nabobs and Rajahs, received by the Company, have amounted yearly, taken on an average of three years from 1787 to 1790, to about £.6,900,000 Sterling. The expences, civil and military, paid out of those revenues, and the interest of outstanding debts, with the expences of the establishments at Fort Marlbro', Pinang, and St. Helena, are computed at about £.5,800,000, leaving a net annual surplus of about £.1,100,000 *. Of the gross income, part of it arises from the Company's own proper territories and revenues, as before is stated; the remainder of it from the Dewannee lands, and by subsidies. It is universally admitted, that India having been already in a great degree exhausted of its specie, it is not possible for any part of this *surplus* to be realized in Great Britain, but *through the medium of commerce*; nor could the revenue itself b. made good, but through the aid given to the collection of it, by articles of Indian manufacture, annually provided for the *China and European investments*. It would answer little purpose to go much at large into an explanation, of what in itself is intricate and tedious. Suffice it to observe, that the Company employ overseers at their Aurungs in India, and in providing their manufactured goods. The collectors of the revenue advance money to those people out of the collections, for the purchase of raw materials, and for supporting the manufacturers and workmen employed. The money has a rapid circulation; it passes instantly from the Manufacturer to the Ryot, or cultivator of the lands, for rice and other food; from thence to the Native Collectors of the village for rent, who pay it over to the superior Landlord or Zemindar, through whom it again reaches the Company's Collector. What is paid for the raw material reaches immediately the occupier of the Cotton Grove or Poppy Garden, and is circulated through a like medium till it comes to the English Collector. Such being the course of circulation established in all those parts of India, where piece goods, ophium, indigo, or other articles of merchandize, are manufactured, and the condition of the Natives employed in them, being so abject as to require a regular supply, to keep them from emigrating or starving, it should seem that either in case, of diverting the revenue to any other purpose, or depriving the inhabitants of this means of supporting their families, neither Revenue, nor manufactured Goods, could be obtained; and if revenue could not be obtained, there must soon be an end to the influence of the British government in Hindostan; the political connection between the two countries would be destroyed, and all commercial intercourse would most probably perish with it.

* *N. B.* According to the Memoir of the *Carnatic*, just published by Major Reynell, the revenue of the countries ceded by Tippoo Sultaun, amount to £.411,000 per ann. Whatever nett income is produced from thence must be added to this surplus of £.1,100,000.

Under

Under theſe circumſtances, it ſhould ſeem that every man, whoſe mind is not biaſſed by an undue prejudice, or by views of perſonal aggrandizement, will perceive the imminent danger to which our Poſſeſſions, our Trade, and our Revenues in India, may become expoſed, by aboliſhing the preſent ſyſtem, and ſubſtituting another, which may prove unſucceſsful. All material innovations upon eſtabliſhed uſages and forms, more particularly in ſuch as relate to matters of Government, Public Revenue, or Commercial Connection, are ever attended with inconveniences and difficulties, and can only be juſtified upon the ground of unavoidable neceſſity. The ſlighteſt diſcontent amongſt the natives may lead to ſuch extremities, as we may be neither prepared to meet, nor have ability ultimately to repel; and we may have to lament, when it is too late, that we have ſuffered our reaſon to be led aſtray, by the plauſible arguments and falſe reaſonings of intereſted ſpeculators; and, what will not add much to our conſolation, will be the reflection of having ſuffered ourſelves to be deluded, although warned of the impending danger, by every ſucceſſive Governor of Bengal, and particularly by Mr. Haſtings, who emphatically tells us, that "our exiſtence in India has, on many occaſions, vibrated to "the edge of perdition; and that it has at all times been ſuſpended by a "thread ſo fine, that the touch of chance might break, or the breath of "opinion diſſolve it."

In this diſcuſſion we have carefully avoided quoting any of the arguments uſed upon former occaſions, for and againſt an excluſive Trade, becauſe, by the acquiſition of Kingdoms and Provinces, the Aſiatic Trade has, ſince thoſe times, undergone an entire change, inſomuch that the order and ſyſtem, which formerly obtained in the conduct of it, ſeem now to be perfectly inverted. The point contended for on thoſe occaſions was ſimply mercantile. The ſubject now ſpreads itſelf into a wider field; it attaches to it *political* concerns of high importance, as well as thoſe of *Commerce* and *Finance*. At thoſe times, a change in the exiſting ſyſtem was of little comparative conſequence; the Exports and Imports were *ſmall*, and the Revenue by *Cuſtoms*, if it had ſuffered, could have been eaſily made good; for the *National Debt* was then moderate, the objects left for *taxation* were numerous; and the real and perſonal aſſets of the Company were more than ſufficient, after the diſcharge of their debts, to make good the value of their capital Stock; it became therefore a queſtion fairly determinable by the weight of public opinion, how the India Trade might be beſt conducted, without involving in its conſequences, thoſe important rights and intereſts, which ſeem now to depend on the continuance of the preſent ſyſtem of conducting the Government, Revenues, and Trade in all its eſſential parts. It may be alſo material to obſerve, that although the *Eaſt* India Company have a clear indiſputable right to continue *to trade for ever to India, with a joint Stock, in common with the reſt of his Majeſty's Subjects, it does not* follow as a neceſſary conſequence, that they will continue *to do ſo, further*

than may be necessary for winding up their affairs, unless such terms are granted them as they may think it for their interest to accept. They have certainly an option, and can in no respect be compelled, or indeed be expected to continue the responsible Agents of the Public, in the Administration of the Government of India and its Revenues, if individuals be authorised to start up in every part of Hindostan, even at their own Ports and Factories, as their rivals and competitors; or if laid under unreasonable restrictions at home, by which the ship owner, the manufacturer and the tin miner may become the dictators, what ships they are to employ, rates of freight they shall pay, in what state or condition they shall purchase their commodities, what sorts they shall be restricted from importing, and what quantity of metals they shall be compelled to take, and after what rate of price; if restrictions of this nature be imposed, the Company may think it for their interest to withdraw, and after disposing of their property to others, may relinquish the important trust. The consequences of their doing so, are more proper to be weighed by others, than to be described by us.

Upon the whole, we must confess, that until a better plan than any we have hitherto seen, or are capable of suggesting, shall be devised as a substitute for that which exists, whereby the true interests of the Public may be manifestly and substantially improved, and permanently secured, in unison with those of our fellow-subjects, the Natives of India, we hope to see no changes introduced to shake the present system; and that if any well digested plan, such as we have described, shall hereafter be brought forwards, deserving public approbation, the well known justice of Parliament may be relied on for an indemnification to the East India Company, and their creditors, in conformity with those principles which have ever guided and governed the conduct of the British Senate, when it has judged it necessary to sacrifice private Rights to public Utility.

It has been said that *the Merchants of Ireland* have a plan for opening a free Trade in the Indian Ocean. Not having seen it we forbear to make any comments on that subject. She has certainly emancipated and separated herself from Great Britain and her laws; and, as far as we are capable of judging, has as much right to try her fortune in the India Trade as any other *foreign nation*. But if her Trade should be carried on with *British Capitals*, and on the risque and account of *British Subjects*, those subjects will do well to look to the *Laws and Statutes*, which inflict severe penalties on such as have any dealings or concerns with Foreigners of any denomination in the Asiatic Trade: both they, and his Majesty's Irish subjects, will also do well to consider, ere they begin, if their means of carrying on a Trade to such distant regions, are more efficient, than were in the power of those other *foreign* Companies or individuals, who, though possessed of long established Settlements and Factories, and the other advantages, we have before described, appear to have been ruined in the attempt. If *Irish* ships still partake of the privileges of *British* ships as formerly, then will they be liable to seizure and confiscation for trading to India, as British ships are, and the penalties of the law will attach upon their owners and others concerned.

If

If they are not deemed *British ships*, then will those concerned, being *British subjects*, incur the penalties of the law, for becoming adventurers in *foreign ships* employed in the India Trade.

CHAPTER XIV.

Practical Means of securing to the Private Merchant and the Public, the ultimate Benefits of Trade within the Company's present exclusive Limits, without endangering the Chain of our political Connection with India, or materially disturbing the present System.

FREIGHT.——The advancement of the India Trade, both Export and Import, seems greatly to depend on the attainment of what has been long fruitlessly attempted, *viz.* a conveyance of goods to and from the *East Indies at a reasonable and moderate rate of Freight*, such as may encourage the Manufacturers and Merchants, on their own risque and account, to adventure therein. It will be difficult for the Directors of the India Company to persuade the British Manufacturers that they do not know what is most for their own advantage, or that the Directors know it better than themselves. It is at the same time but reasonable, that the Manufacturers and Merchants should have the liberty of making the experiment they so ardently desire of opening new Channels of Trade for an increased Export of British Manufactures, and that those, who are willing to supply the shipping, at an easy rate, should be encouraged to do so. The good effects, which must result by the carriage of goods *at a reduced and moderate freight*, are very obvious and very numerous. Amongst other advantages, it will secure to us the benefit of the Carrying Trade to and from the East Indies to a greater extent than we have hitherto enjoyed it, to the exclusion of Foreigners, who have notoriously participated in it in an unreasonable degree: The public Revenue * will become improved, by the duties left on the goods exported from hence: Both the Public and the Company will be benefitted by the saving of expence:† The quantity of India goods for foreign markets will be increased, and, by the reduced price of the carriage, our competition in the sale of the productions of Asia in the markets on the Continent of Europe may become the more successful. There is, however, some difficulty in effecting this desirable object, in a mode that may be consistent with the general Freedom of Trade, and the common Rights of Mankind. To make it obligatory upon, and not optional with, the Managers for the Company, to charter ships, of a particular description, at the lowest rates that may be offered, might be thought a constraint, degrading on the mercantile character of the Company; might expose

* On the Export of some of the India Manufactures little more than half the Customs are returned in Drawbacks, and on some others no Drawback is allowed.

† We have before stated, that by the Acts of 1781 and 1784, the Public are intitled to three fourths of the nett surplus by Trade, as well as Revenue.

them.

tribution for the expences of warehouſes, wharſage, ſupport of factories and ſettlements, &c. &c. which may be put on a footing ſimilar to the preſent Private Trade. *One third* at the leaſt of this ſum ought to be paid down, and a ſecurity given for the payment of *the other two thirds* at the ſhip's return. The import trade to be confined to ſuch *raw materials*, and other articles to be enumerated, as ſhall not too much interfere with the Trade of the Company. The Company to be in no reſpect liable to actions for *damages or loſſes* in reſpect to the Private Trade, but their officers and ſervants to be liable. All Private Trade to be brought into the Company's warehouſes, and put up to ſale *by inch of candle*, as other India and China goods are at preſent. An *appeal* might be given to the ſame Board, as is propoſed in the caſe of freight, to ſettle or adjuſt any diſputes that may ariſe under this head.

PRIVATE AND PRIVILEGED TRADE.—Let this remain on its preſent footing, with the ſingle variation in the mode of payment of the Company's Duty of £.7 per cent. which ſhould be converted into a Tonnage Duty, and paid by the parties, without any regard to the *quantity or value* of the goods imported, as a means of effectually deſtroying the temptation of *running* the goods, to avoid the payment of that duty.

FACTORS.—Let the Company be obliged to licence any reaſonable number of perſons to reſide at their Settlements abroad, for the management of the concerns of *private merchants* trading thither, on their entering into covenants ſimilar to thoſe of licenſed Free Merchants. This matter alſo may be ſettled by appeal, if the Directors and the Merchant ſhould diſagree.

DIVIDENDS OF THE PROPRIETORS.—As the Company's property muſt ever be at hazard, to a very large amount, it ſeems highly reaſonable and juſt, that their *Dividends* ſhould bear ſome moderate proportion to the net income of their own Landed Property in India, and to their Profits of Trade; and this the more eſpecially after the latter ſhall have been opened to the extent propoſed, for the benefit of the private Trader. The Company are alſo in a great meaſure reſponſible for the Adminiſtration of the Government abroad, and the due collection of the Dewannee Revenues; what ſurplus they afford, or a great ſhare of it, is intended to be drawn home to this Country, through the medium of the Company's Commerce. It has been ſhewn that after every allowance whatever, and after bearing the due proportion of the expence of the general defence of Britiſh India, the Landed Eſtates and Cuſtoms properly belonging to the Company may produce a net income of £.250,000 a year at the leaſt; which with the net annual profits of their Export and Import Trade, after making ſome allowance for the injury it may be ſuppoſed to ſuſtain from the private Merchants, may be fairly rated at *One * Million Sterling per annum*, clear of every charge

* Landed Revenues	£. 250,000
Export and Import Trade (as before explained, page 33 and 35.)	700,000
Private and privileged Trade	70,000
Annuity	38,000
	1,058,000
Allow for leſſening of profits by the Trade of Private Merchants	58,000
The Company's own Income clear	£. 1,000,000
Dewannee Revenue	£. 750,000
Total	£. 1,750,000

whate

whatever, unless indeed the expence of *Insurance* were to be calculated, which is not done, because the Company are their own Insurers.

It is pretty well known *now*, with respect to the Debts owing in India, that the greatest part is due *to the Natives*, which accounts for no more of it having been drawn home upon the Transfer Plan. It is evidently wise and politic to leave a considerable debt amongst the Natives, at an annual interest. If the Revenues produce a net surplus of £. 1,100,000, they will afford *one million a year* to be drawn home by investment of goods, over and besides the produce of our own Exports, and Certificates given to the officers of the Company's ships, payable in England, and leave enough to accumulate in the Treasuries in India, either as a fund for the support of wars, when they shall be inevitable, or if it be thought better, the overplus may be applied as a sinking fund for the the discharge of the debt there.

Thus will there be £. 1,750,000 *per annum* brought into this country, which, if divided according to the acts of 1781 and 1784, and the subsequent acts for the increased capital, would stand thus:

		£.
A dividend on five millions, at 8 per cent. — —		400,000
The surplus left would be — — — —		1,350,000
One fourth of that sum would belong to the Company, being — — —	£. 337,500	
And *three fourths* to the Public, being —	£. 1,012,500	
		1,350,000

But before the Public are to participate in this fund, these acts provide, that the Bond Debt shall be reduced to £. 1,500,000, and Bills of Exchange to £. 300,000. Provision might be easily made out of this immense income for such reduction, without postponing the whole of its benefit to the Public or the Company to a future time. Each might contribute its due proportion, to be set apart as a sinking fund, for the reduction of the debts, and ample means would be left of adding to the public revenue, and to the Proprietors dividends. The Exchequer might be content with receiving £. 450,000 a year, and the Proprietors £. 150,000 a year in additional dividends, until those debts shall be reduced to their proper standard, which the remaining fund would effect in a short space of time. Thus might the dividend be extended to *Eleven* per cent. and according to the income by revenue, and profits of Trade, beyond those sums, so should be the proportionate future payments to the Public, and to the East India Proprietors.

However flattering this conclusion of our labours may appear to our Readers, in favour of the *Public* and the *East India Stockholder*, it is no more, than we are fully warranted to give, by the authentic documents we have had occasion to quote or refer to in the course of this work, as well as by our own knowledge of the Financial Concerns of the Company.

POSTSCRIPT.

POSTSCRIPT.

As given in the former Edition in February, 1793.

SINCE the foregoing ſheets went to the preſs, the Company have publiſhed a Statement of their Affairs, to ſhew what will be the probable net annual ſurplus of the territorial Revenues in India, and the profits on their Trade, in times of profound Peace. In forming this Statement, they have not been governed by the medium or average, either of actual receipts or actual diſburſements for any former period, but have given their reaſons for departing both from the one and the other. In conſequence, the receipts are not increaſed, though the new ceded Countries of Tippoo Sultaun are brought into the account, whilſt the probable diſburſements are augmented. The reſult of the whole is, that the probable net Revenues, of the Indian poſſeſſions, including the new ceſſions, are eſtimated only at £. 1,621,050, from which £. 561,923 per annum is to be deducted for the Intereſt of the Indian Debt, leaving a net ſurplus of £. 1,059,127. To this ſum they add £. 350,000 a year for the produce of Imports and Certificates in India, making £. 1,409,127, from which ſum they take £. 1,127,000 for an Inveſtment of Indian Goods, and £. 250,000 towards an Inveſtment of China Goods, leaving a ſurplus in India of £. 32,127 a year. With theſe aids they compute on ſuch yearly Sales, as with their Annuity, and Profits on Private Trade, will produce a net ſurplus in England of £. 1,207,114, after payment of a Dividend of £. 8 per cent. on the preſent Capital Stock of 5 Millions, and the Intereſt of their Bond Debt, the expences of Recruits, and all other current charges at home, and the Eſtabliſhment for St. Helena.

The difference, however, between the Surplus, according to the Directors' Statements and our own (theirs being £. 1,207,114, whilſt we make it £. 1,350,000) ought not, in any degree, to vary or affect the Rule eſtabliſhed by the Legiſlature for its appropriation. If the Public take £. 450,000 a year of it, the Proprietors, under the participation ſettled by the Acts of 1781 and 1784, are intitled to £. 150,000 a year; and any increaſe to the Public ought to be accompanied by an increaſe of Dividend to the Proprietors of India Stock, after the ſame proportion.

The

The Directors, in forming their estimate of the net Surplus, have, from prudential motives, computed on the lowest probable receipts, and on the highest probable disbursements, the surest way of preventing disappointment; while that which we have given, is the result of actual receipts and actual disbursements on the average of three years. The Directors have in particu rated the Sales at half a million per annum less than the Estimate of th own Officers in other accounts before Parliament. They have, howev fairly admitted a prospect of increasing the Surplus, by lessening the Interest the Debt in India. Under these circumstances, and by the Savings in the Ra of Freight, we trust we shall not be found too sanguine in our expectatio that a Surplus will hereafter be realized to justify our own Estimate of it £. 1,350,000 per annum. And, indeed, one of the most experienced of t Gentlemen in the Direction, *whose prudence and caution will secure us fr* being misled by any thing he would advance, has publicly declared in Deba that the Surplus is more likely to exceed than fall short of £. 1,500,000 p annum.

CHAPTER XV.

The Question as between the Crown and the East-India Company, in respect to the Property of the Town, Port, and District of Masulipatam, and also in respect to the Northern Circars, on the Coast of Coromandel, stated and discussed.

THE period of the compact, made with the Public in 1781, whereby the East-India Company were continued for a further time in their Exclusive Trade, as well as in the Government of the Countries acquired in India, being near its expiration, His Majesty's Ministers, with a view of continuing the present system of Government and Administration in India, have recently offered certain propositions to the Company for that purpose, and for making a new partition between the Public and the Company, of the net revenues of the Territories in India, as well of those acquired by conquest, as of those which are the independent property of the Company, and also of the net surplus, arising from the profits of the Company's trade.

The reasonableness of this partition, upon the terms proposed, must depend in some degree on the rateable proportion, which the Revenue of the conquered Territories bears to the Revenue produced by the Company's own proper Estates in India. It therefore seems highly essential, if not absolutely necessary, that means should be used, to discriminate betwixt the Revenues of the Public and those properly of the Company, antecedent to the establishment of any specific appropriation; for unless that is done, the Company must be acting altogether upon conjecture.

The Territories and Revenues of India, may be properly classed under three descriptions. First, Those which the Company possessed, prior to the year 1755; with respect to which their exclusive right has never been questioned, nor can it be in any degree liable to impeachment: The extent of them is known to a certainty, and their income was fully investigated by the Secret Committee of the House of Commons of the year 1772, as will appear upon reference to Third Report of that Committee, wherein their annual produce, for a series of time, will be found amply detailed.

Secondly, The Territories and Revenues ceded to the Company by the Mogul, the Nabob of Bengal, the Soubah of the Decan, and the Nabob of Arcot, by Grants and Treaties after the year 1755. These consist chiefly of the Pergunnahs at Calcutta, the ceded Lands so called in Burdwan, Midnapour and Chittagong, the Town and District of Calcutta, the Town, Fortress, Port and District of Masulipatam, the Five Northern Circars, and the Jagheer Lands at Madras. The property of these may be debated on distinct grounds, each having been acquired by the Company in consequence of the influence resulting from their

Military Eſtabliſhments, and the valour and ſucceſs of their arms after that period.

Laſtly, The Provinces of Bengal, and Bahar, and that part of Oriſſa which is terminated on the South by the Cattack Countries belonging to the Maratta States, the Diſtrict of Benares, and the Countries in the Carnatic, and on the Malabar Coaſt, lately obtained by the Treaty with Tippoo Saib. Theſe are claimed on the part of the Public, as the property of the State, on a maxim of Law, that all Territories acquired by conqueſt veſt in the Crown.

Although it ſhould ſeem eſſential to the Company, that their excluſive Claim to each of the debatable Diſtricts ſhould be inveſtigated and finally decided upon, we ſhall, for the preſent, confine our inquiry to the merits of what relates only to the Town, Port, and Diſtricts of Maſulipatam, and to the Five Northern Circars. We have given theſe a preference, from a perſuaſion that in point of Revenue, Extent and Situation, they will be found to be intrinſically of greater importance than any of the others with which they are claſſed; and becauſe, by a full and minute inveſtigation and diſcuſſion of the merits, whereon the legal right to theſe Diſtricts ſeems to depend, it is not improbable, but ſome rule or principle may be eſtabliſhed with regard to all, or ſome of the others.

The magnitude and importance of the queſtion of Right between the Public and the Company, whether as applicable abſtractedly to the Revenues of the Circars, or as eſtabliſhing a precedent in Law for determining the Claims of the Company upon other Territories already, or which may in future be obtained and held upon titles of a like ſort, have induced us to think it more prudent to hazard the imputation of prolixity, in the Statement we are about to give, rather than by curtailing it of circumſtances, which might otherwiſe have been deemed inapplicable, or not pertinent to the merits of the queſtion, incur a charge of partiality or negligence.

For the eaſe of our Readers who may be deſirous of applying the Law to the facts, in the order of their detail, according to the Rights of the reſpective Claimants, we propoſe to arrange our Tract after the following method: Firſt, To ſtate what we conceive to be the legal and acknowledged Rights of the Crown, by virtue of its known perogative, in ſo far as they relate to the preſent ſubject. Secondly, The power of the Crown to transfer its Rights to others. Thirdly, How far the Crown has transferred its Rights to the Eaſt-India Company, or otherwiſe enabled them by Law to acquire, hold, defend and diſpoſe of Lands and Territories within the limits of their Trade. Fourthly, A ſuccinct narrative of the facts and circumſtances which preceded or accompanied the acquiſition of Maſulipatam. Fifthly, A ſimilar narrative in reſpect to the acquiſition of the Circars. And laſtly, We ſhall conclude with ſome remarks on the merits of the Queſtion in point of Law.

Prerogative

Prerogative Rights.

AMONGST the numerous Rights appertaining to the King's Prerogative, arising to him "from the reason of the Common Law," (as we find it aptly expressed in a great * authority) are those of making War and Peace; an interest in his Subjects, and a Right to their service; the command of all fortresses and places of strength; so that none but by the King's Licence can legally build, erect, or fortify a castle or other place of defence; the sole Coinage of Money; the Property in all Mines of Gold or Silver wheresoever found; the erecting of Courts of Judicature; a general Right of Sovereignty over the Lands of all his Subjects, and a Right to the absolute Property, as well as Sovereignty over foreign Territories acquired by conquest, whether it be by his own regular Forces, or by any of his Subjects not trained or so employed, but acting on their own will; or acquired by Grant or Treaty obtained by Influence of Arms, or even by any Treaty or Grant of Dominion made to any of his Subjects by a foreign Potentate. It is also a Right coeval and inherent in the Prerogative of the Crown, to delegate to, and invest its Subjects with such Powers and Rights as may be deemed necessary to be exercised for giving vigour and effect to the protection and security of the Empire, the Extension of its Dominions, and the enlargement of its Commerce. Neither the Power of Delegation, nor the Right of Granting, has ever, that we can discover, been denied, or questioned, or limited, where the known Laws of the Land have not been impugned or exceeded. It was under Delegations of this description, that many of our foreign Dominions were obtained: and it is under Grants, flowing from the Prerogative, that our Nobility and Gentry, at this day, derive their titles to their landed Property in the Three Kingdoms. The proprietary Districts of America, and the Lands in the West India Islands were thus conveyed; nor is the Crown debarred (that we know of) from alienating any of its foreign Territories, either in possession, or reversion, or dependent on any expectancy or contingency. The Restraining Act of Queen Anne, and the Civil List Act of His Majesty, are limited to the demesnes and hereditary Revenues of the Crown at home.

Company's Rights.

WITH respect to the Rights and Privileges of the United Company, it will be found that the Old Company, erected and incorporated by Queen Elizabeth, were legally seized of the Islands of St. Helena and Bombay, and of sundry Forts, Factories and Settlements, and were also possessed, and in the exercise of extensive Authorities and Privileges in India; all which, on the Union of the two Companies in 1702, were transferred to the United Company. Their Union was ratified by Queen Anne, under the great Seal of England, and the

* Staundf. Prerog. Reg. Plowden 314.

Rights and Powers thus conveyed, together with thoſe which had been granted to the New Company, have been repeatedly ſanctioned by ſubſequent Acts of Parliament made on the ſeveral compacts between the Public and the Company, for the continuation of their Excluſive Trade; on which occaſions, the Company paid to the Public ſuch pecuniary conſiderations, as at the time were deemed adequate in value to the Rights and Immunities purchaſed, or agreed to be held and enjoyed by them. Amongſt which are theſe that follow:

To be a Corporation or Body-politic, and to have perpetual ſucceſſion, with ability to hold and retain Lands and Tenements of any kind, nature, or quality whatever, and again to ſell, alien, or diſpoſe thereof; to make Settlements in India, without any limitation in their value and extent; to build Caſtles, Forts, Fortifications, or other Places of Strength; to appoint Governors and Commanders; raiſe, train, and muſter Forces; repel Wrongs and Injuries on their Property; make Repriſals on their Invaders, or Diſturbers of their Peace; coin Money, and erect Courts of Judicature. So * ample were the powers for enabling the Company to preſerve Diſcipline amongſt their Military, that they were authorized in all their Settlements, in caſes of Rebellion, Mutiny or Sedition, or refuſing to ſerve in War, flying to an Enemy, forſaking Colours or Enſigns, or other offences againſt Law, Cuſtom and Diſcipline Military, to uſe and exerciſe all the Powers of Captain General. And by one of the Charters it was expreſsly declared, that theſe Powers and Immunities ſhould extend to all Territories which the Company ſhould at any time purchaſe or acquire within the limits of their Trade; and by another † Charter it was granted, that the Company ſhould have the ſole Rule and Government of all Forts, Factories and Plantations, already, or which ſhould thereafter be ſettled by or under them, and exerciſe Martial Law therein; and by ‡ another, they are impowered to fit out Men of War in times of hoſtility. In theſe Charters and Grants the Sovereignty of the Crown alone is reſerved.

Under the Rights and Powers thus conveyed, the Company acquired by purchaſe from the Moguls, or other of the Native Princes and States, ſundry ſpots of ground on the Peninſula of India, on which they erected Factories and Houſes of Trade; and for the better defence of their property againſt the incurſion of banditti and caſual depredation, they had long anterior to the conqueſt of Bengal, fortified the Iſland of Bombay, and their Factories at Madras, Vizagapatam, St. Davids, and on the river Ganges, and garriſoned them with their forces; and in general exerciſed the ſeveral other authorities and privileges derived from their Charters. The mildneſs of their Government within their Factories, the equal adminiſtration of Juſtice at their Courts, the punctuality and uprightneſs obſerved by their Servants in their dealings, the ſimplicity of their manners, and their quiet and inoffenſive deportment, endeared them to the Natives, and induced many of the Hindoos to ſettle within, or near their diſtricts. The Soubahs of the country beſtowed on them exemplary marks of their favour, until

‡ 12th April, 1686.

at

at length the Company had obtained Territories which produced in Land Rents and Port Duties, a considerable income, sufficient at least to defray their establishments, as long as they were permitted to observe a strict peace or neutrality amongst the Native States; nor from the first erection of the Company by Queen Elizabeth, till the accidental Conquest of Bengal, had the Right of the Company been called in question, to acquire, by any means they could devise, Settlement, Territory, or other Property in India for their own benefit. It was the magnitude of that conquest, which first excited Public attention, and a general maxim of law, of which, perhaps, no instance or occasion for its being exerted or acted upon had happened for centuries, if ever, in this Kingdom, was now enforced by Parliament, with a saving however of Rights, so as to leave the question open to litigation at some future period.

Situation of Masulipatam and Circars.

Before we proceed in our narrative, it may not be amiss to give the Reader some idea of the extent, situation, and income of Masulipatam and its districts, and we cannot do this more satisfactorily, than by reference to Mr. Orme's History of Hindostan. The following is a literal quotation * from his work.

" These † acquisitions added to Masulipatam, and the Province of Con- " davir ‡, made the French masters of the Sea Coast of Coromandel and " Orixa, in an uninterrupted line of 600 miles from Medapilly, § to the " Pagoda of Jagernaut ‖. These countries are bounded by a vast chain of " mountains, which run nearly in the same direction as the Sea Coast, and are " in most places about 80 or 90 miles distant from it, although in some few not " more than 30. They are covered with impenetrable forests of bamboes, and in " the whole extent there are not more than four passes which, according to " Mr. Bussey's account, may be defended by 100 men against an army.

" The Province of Condavir extends between the River Kristna and Gon- " degama, which gains the sea at Medapilly. The limits of the other Four " Provinces are not exactly ascertained; nevertheless it appears, that Musta- " phanagur joins to the North of Condavir; that Elore lays to the north west " of Mustaphanagur; that Rajahmundrum is bounded to the south by these two " provinces, and that Chicacole, much the largest of the four, extends 250 miles " from the River Godaveri to the Pagoda of Jagernaut. The revenues of the " Four Provinces were computed at 31,00,000 rupees; of Condavir at 6,80,000; " and the dependencies of Masulipatam were so much improved that they pro-

* First Vol. p. 334.
† The Circars of Mustaphanagur, Elore, Rajahmundrum and Chicacole.
‡ Another name for the Guntoor Circar.
§ The northern extremity of the Carnatic on the Coast of Coromandel.
‖ The southern extremity of the Mahratta dominions in Cattack, lately under Modajee Boosla one of their chiefs in Orixa. His dominions extend northwards upon the Coast, to the extent of about 240 miles, where they adjoin to that part of the British possessions in Orixa which are under the Presidency of Bengal.

" duced

" duced this year (1753) 5,07,000, in all 42,87,000 rupees equal to more " than £.535,000 sterling per annum. All these rents, excepting those of " Masulipatam and its dependencies, which seemed already to be carried " to the height, might be greatly improved; so that these territories ren- " dered the French masters of the greatest dominions, both in extent and " value, that had ever been possessed in Hindostan by Europeans, not ex- " cepting the Portuguese when at the height of their prosperity; nor were " commercial advantages wanting to enhance the value of these acquisitions; " for the manufactures of cloth, proper for the European markets, were made " in this part of the Decan of much better fabrick and at much cheaper rates " than in the Carnatic. In Rajahmundrum are large forests of teak trees, a " wood in every respect equal to oak, and produced in no other part of the " Coast of Coromandel and Orixa. Chicacole abounds in rice and other grain, " of which great quantities are exported every year to the Carnatic."

And speaking of the Soubah's proposals to the Madras Government in 1756, for their assistance against the French in the Decan, he says,* " Nothing could " be more acceptable to the Presidency than this invitation; for since the dis- " appointment of the expedition which the Company had projected to be " carried on from Bombay, they despaired of having another opportunity of " striking at the French influence in the northern parts of the Decan, on which " nevertheless the very existence of the English, on the Coast of Coromandel, " seemed to depend.

Monsieur Dupleix, speaking of the nature of the Soubah's last grant, to Mr. Bussey, in his famous Memoir says, " I persisted in demanding the four beau- " tiful provinces of Ellore, Mustaphanagur, Chicacole, and Rajahmundry, " which suited us in every respect, and I obtained them. They were given in " full sovereignty to the Company, at the charge of keeping with the Nabob, a " body of French troops, after the manner of the Mogul Lords or Mahrattas, " to whom the Emperor or the Nabob grants Jagheers."

Narrative of the Acquisition of Masulipatam and its Dependencies.

The war which broke out between France and England in 1745, soon spread itself to India, where the Companies of the two nations had raised native corps of troops, and sacked or besieged the Settlements of each other. Advices of the peace, concluded in 1748, reached India just at the time of our raising the siege of Pondicherry. The British squadron, under Admiral Boscawen, soon return- ed to England; but neither of the Companies discharged their troops. Chunda Saheb, competitor with Anawarden Caun, and afterwards of his son Mahomed Ally, for the Nabobship of Arcot, had agreed to take those of the French into his pay, and they waited his arrival in the Carnatic to be united with his army. It was not long after this period that the two Companies became auxiliaries on opposite sides to these rival Chiefs.

* First Vol. p. 434.

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The Carnatic forms part of the Mogul Empire, constituting one of the Provinces, or a Nabobship of the Decan, which had been long governed by the Soubah Nizam ul Mulk, as the Viceroy of the Mogul. To him belonged the nomination of the Nabob. On the death of that Soubah in 1748, different competitors, his sons or descendants, had laid claim to the Government of the Decan; the Mogul was not in strength to interpose his authority with effect; otherwise there can be but little doubt but the Nizam's eldest son, Ghazi ul Dien, who was at that time the principal Minister to the Mogul at Delhi, and had been named as successor to his father in the Government of the Decan, would have been established in it. Nazir Jung, another son of the late Soubah, (but stiled by the French a bastard) and who at that period commanded his father's army, had taken possession of his immense treasures, and pretending that Ghazi ul Dien had ceded to him the Soubahship, (preferring a residence at the Court of Delhi) he assumed the reins of Government, keeping his three younger brothers little better than his prisoners; whilst Muzafa Jung, a favorite grandson of the deceased Soubah, claiming the right, under a pretended will of his grandfather, appointing him his successor, raised an army in the Country west of Golconda, and claimed the Soubahship.

Such was the state of parties and of the country when a cessation of hostilities between the two Companies took place in 1749. It was about this time that Chunda Saheb and Muzafa Jung had united their Forces under a solemn stipulation, never to sheath their swords 'till the one was put into compleat possession of the Carnatic, and the other established in the Government of the Decan. They soon after fought the famous battle of Amboor, where the superior discipline of the French army overcame all obstacles, and obtained a decisive victory for their employers over Anawarden Caun, Nabob of the Carnatic, who was himself slain, and his eldest son Muzafa Caun taken prisoner; Mahommed Ally his younger son, the present Nabob, narrowly escaping the same fate.

Muzafa Jung was immediately proclaimed Soubah at the head of his victorious army, and Chunda Saheb declared Nabob of the Carnatic. The English forces had not hitherto interfered in these disputes, but the news of the victory, and the preparations making by the French and their allies for extending the influence of their arms through the Decan, brought down the Soubah Nazir Jung into the Carnatic; nor did he stop 'till he encamped with his army at Velstour, within a small distance of Pondicherry, where he was met and opposed by that of his nephew and his auxiliaries. The Madras Government, now perceiving for the first time with certainty, that Nazir Jung was the actual reigning Soubah, they sent Messrs. Lawrence and Dalton, with a small corps of English troops to pay him their homage; they were received with politeness, and permitted to encamp near him. A parley took place between the uncle and the nephew, which naturally occasioned alarm to the French, lest by a reconciliation the Native Chiefs should unite their forces and turn their arms against them. They therefore suddenly withdrew themselves from the camp, and retired towards their own Settlement. It was in vain that Chunda Saheb endeavoured to dissuade Muzafa Jung from listening to the proposals of his uncle. That Chief therefore

withdrew

withdrew himself to Pondicherry, and the infatuated nephew, allured by the solemn protestations of the Soubah, both of affording protection to his person, and of placing him in the Government of certain Provinces of the Deccan, proceeded to the Soubah's tent; where, in violation of the ties of honor, justice, and his pledged faith, the Soubah instantly loaded him with irons, and falling suddenly on his unsuspecting adherents, both they, and such of the French as could be overtaken were miserably butchered.

At this period neither the English nor French possessed any thing more at Masulipatam than their Factories or Houses of Trade. The French, sensible of the importance of that Port for the purposes of commerce, had obtained a promise from Muzafa Jung of a grant of it with its dependencies, a circumstance which probably had reached the ears of Nazir Jung; for shortly after the affair at Veldour, he caused his Officers to seize the French Factory and effects at Masulipatam, though it does not appear he meddled with any other, (for they had other Factories in his dominions); and Dupleix, highly exasperated at this act of tyranny over the private property of innocent and helpless individuals, vowed severe vengeance.

The Soubah with his army took up his residence at Arcot for the Monsoon. In the mean time Chunda Saheb and Dupleix were indefatigable in their preparations for war. Before the Soubah began to stir, they made themselves masters of Gingee, and also of Masulipatam, and appeared in such force in the Carnatic, that the Soubah, as the condition of being permitted quietly to withdraw himself from its confines, found it prudent to grant to the French the absolute property of Masulipatam and its dependencies; and to make them other concessions. He however still kept Muzafa Jung a prisoner, which Dupleix highly resenting, found means to corrupt certain of the Patan Chiefs, who formed the body guard, and agreeably to a plan concerted, the French attacked his camp by surprize, when the unfortunate Soubah, quitting his tent, fell a victim to French treachery, and the villainy of his own people. His head having been exposed, Muzafa Jung was taken from prison, and proclaimed Soubah by the unanimous voice of both armies; and one of the first acts of the new Soubah, in gratitude for his release and advancement, was to confirm the grant of Masulipatam, with its dependencies, to the French. According to Mr. Orme, they were to be held in vassalage; though, if we may credit the relations of Mr. Bussey and Mr. Dupleix, they were granted in compleat sovereignty for ever.

In the Appendix to Mr. Dupleix's celebrated Address to the French Nation, will be found an accurate account of the revenue produced from Masulipatam, distinct from the places dependent on it, as well as from their subsequent acquisitions in the Northern Circars. If they had been otherwise before, it is evident that, from this time at least, Masulipatam and its dependencies formed a distinct district from the Five Circars, producing a revenue of about £.38,000 a year.

A few months had only elapsed before Muzafa Jung also fell a sacrifice to the treachery and avarice of the same Patan Chiefs, who had assassinated his uncle. Three other of his uncles, Salabut Jung, Nizam Ally, and Bazalet Jung, had been continued prisoners in his camp. Mr. Dupleix set them at liberty, and raised Salabut Jung, the eldest of the three, to the Musnud of the Decan; and for a considerable time after, the influence of Mr. Dupleix wholly prevailed over the Councils of the Soubah. His person was constantly guarded by the French soldiers, who fought and conquered by his side in several conflicts with the Mahrattas; the French commanders dictated the terms of the successive conventions, for suspension of hostilities; and in 1753, they planned the triumphant entry of the Soubah into his capital of Aurungabad, where he rewarded the French Company with grants first, of the Guntoor, and soon afterwards of the other Four Circars; and although by an invitation of Jasseer Ally, one of the discarded Zemindars in the Circars, some of the neighbouring Mahrattas broke in and devastated the most fruitful parts of the country, they soon retired, and in 1754 the French were left to enjoy, without interruption, the fruits of these valuable acquisitons.

The Company's troubles in the Carnatic and in Bengal, at the time of the rupture in 1756 with France, had obliged them to weaken their little garrison at Vizagapatam. The Fort and Factory at that place, and also Madepollam, Bandermalanka, and Ingeram, fell an easy prey to Mr. Bussey, and the forces he kept in the Circars. In the mean time, by the intrigues of Nizam Ally, and Bazalet Jung, assisted by Shanavese Khan, their brother's Duan, the influence of the French became weakened at the Soubah's Court. The French detachment however still accompanied him, and most probably saved his life, at the time the two brothers possessed themselves of his Seals of State, and assumed to themselves the reins of the Government, which, however, they administered in his name. This revolution must have have happened about the time of Bussey's capture of the English Company's Factories. He had no sooner accomplished that object, than he hastened, with what force he could collect, to the assistance of Salabut Jung at Aurungabad. It consisted of 700 Europeans, 500 Sepoys, and 10 field pieces; and though at his arrival he found the Soubah surrounded by three armies under the command of his two brothers, to whom he could be considered as little better than a prisoner, he so managed as to procure the Seal to be restored. Nizam Ally, unable to brook what he feared openly to resist, but resolving in some degree to avenge himself for what had happened, procured the assassination of Hyder Beg, (the new Minister) imposed on his brother by Bussey, and then fled to Brampour. The friends of Hyder Beg immediately revenged his death by the murder of Shanavese Khan, and his son Mahommed, the Emperor's Duan, and all their adherents; so that Bussey was again left to direct the Councils of the Soubah. He was, however, shortly after called to Pondicherry with his forces for the relief of that place then besieged by the English Company. He quitted the Soubah, leaving a force for the defence of Masulipatam and the Circars.

After the death of Vizeram Rauze (the Zemindar who had superceded Jaffeer Ally in the Rajahmundrum Circar, and who had also been manager for that of Chicacole) Bussey had imposed such new arrangements and conditions on his nephew and successor the Rajah Anunderawze, as to excite his resentment. He therefore took the opportunity of Bussey's departure to avenge the supposed injury, and to recompence himself by seizing on the garrison of Vizagapatam. Fearing his own ability to retain it, he sent advice of what he had done to Madras, offering a surrender of it to the Company. He afterwards made a like offer to the Presidency of Bengal, proposing to join his forces with any detachment they should send for driving the French from the ceded provinces. Lord Clive accepted of the offer, and immediately re-established the English Factory at Vizagapatam. He likewise sent 500 Europeans, and 2500 Native troops, under the command of Col. Ford, to unite with the Rajah against the French. It was agreed between the Colonel and the Rajah, that all plunder should be equally divided, that all the inland countries which should be conquered should be delivered to the Rajah, who was to collect the revenues; but the sea ports and towns at the mouth of the rivers, with the revenues annexed to them, were to belong to the English Company; no treaty for restitution was to be made but by mutual consent; and the Rajah was to supply half a lack of rupees monthly for the expences of the troops; and 6000 rupees, to commence from their arrival at Vizagapatam, for the particular expences of the officers.

In December 1758, the united forces gained a complete victory over the French commanded by M. Conflans, who retreated first to the city of Rajahmundrum, and afterwards to Masulipatam, followed by Colonel Ford; and the campaign ended with the siege and capture of that place by storm, in April 1759.

The tardiness of the Rajah in bringing forward his troops from Rajahmundrum to Masulipatam, and his backwardness to advance the money for the detachment, had induced Col. Ford to agree to the following variation in the agreement which had been made with him in the preceding November, (namely) that whatever sums the Rajah might furnish, should be considered as a loan; and that the revenues of all the countries which might be reduced on the other side of the Godavery, excepting such as belonged to the French, either by establishment or grant in propriety, should be equally divided between the Rajah and the English.

Whilst Colonel Ford was before Masulipatam, the Soubah, at the entreaty of Conflans, brought an army into the Circars, of such a force, as united with the French, might have easily raised the siege, and compelled the English detachment to have laid down their arms. The Soubah, however, neither joined the French nor interrupted Col. Ford, but encamped about 40 miles from the fort, waiting the event of the siege. All he did was to call upon the Rajah and the Zemindars, that were with Ford, to repair as his vassals to his standard; and it was not without difficulty they were prevailed on to disregard the summons. Some part of the French forces, after their defeat, had separated from

those who took refuge in Masulipatam, and being formed into a small army of observation, were encamped at no great distance from the Soubah. Colonel Ford perceiving his danger, and in despair of escaping, planned the bold effort of storming the fort, though with little expectation of success: To amuse the Soubah in the interval, he sent Mr. Johnstone to pay him his homage, which the Soubah took in kind part, and received him in his camp. On the place falling into the Colonel's hands, the Soubah advanced within 15 miles of the fort, and the Rajah and Zemindars not doubting but the Soubah intended to reduce it, separated from the English and retired into the country; but Salabut, after some conference with the commander of the French army of observation, agreed to receive Colonel Ford in his tent, and to grant him certain requests, and to swear to the performance of them.

This engagement has been treated as a grant, and erroneously considered as the foundation of the Company's title to the Five Northern Circars. It may, however, admit of a doubt, whether aided as it was by the Soubah's oath for its observance, it had the efficacy of a grant or treaty. The power of the Soubah to make any grant of, or to alienate a part of the Soubahship, is in the first place very questionable. Secondly, He had already granted the same districts to the French. Thirdly, The Sunnuds promised by it, and which by the Constitutions of the Empire (admitting the power) would be a mere nullity, unless passed under the Seal of State accompanied by a variety of ceremonies and registerations, do not appear to have been ever obtained. Fourthly, In military or feudal tenures, (and this at best could be considered in no other light) a new investiture becomes necessary on every change of the supreme power who makes it, so, that in no event could the Sunnuds have been valid beyond the life or removal of Salabut Jung. And lastly, the request extended only to a distinct part of the Circars. The form in which the Soubah's engagement is printed by the Company, differs materially from, and is far more extensive in respect to the territories described in it, than what is given as the agreement by Mr. Orme; his again far exceeds what the Madras Government, at the time, described to be the extent of it, in their advices to Bengal of July 1759. The Company's printed copy contains a promise of Sunnuds, for giving to the Company the Circar of Masulipatam with eight districts, and the Circar of Nizampatam, and the districts of Condavir and Wacalmanner, in the same manner as was done to the French. Mr. Orme describes the grant to be of the whole territory dependent on Masulipatam, with eight districts and jurisdiction over the territory of Nizampatam, and the districts of Condavir and Wacalmanner, all which were to be held without the reserve either of fine or military service. The Governor and Council of Madras, immediately after the communication to them by Colonel Ford of his interview with the Soubah, describe the grant to be no more than "of the port of Masulipatam, with the "dependencies thereto belonging;" recommending it to Lord Clive to obtain a confirmation of it from the Mogul, or at least a renewal of the Company's old Firmaund for Divi Island, and their factory in the town of Masulipatam. Whatever

ever might be the extent, it is evident that the port, town, and citadel of Masulipatam were all that the Company retained. The Circars at large, were left in the Soubah's possession as their immediate superior, under a promise that Anunderauze should be continued in the management of the Chicacole Circar, upon the terms which his ancestors had held it from the former Soubahs. Colonel Ford with the English forces were soon after withdrawn from the Circars, a very small number only being left in the garrison; and so far were the Company from retaining the possession of any thing beyond the port and town, and dependencies, that it appears that so early as June 1760, Nizam Ally, who, in consequence of his brother being deserted by the French, had assumed the Soubahship, visited the Circars, and was attended at Rajamundrum by Mr. Alexander, the Chief of Masulipatam; where he urgently requested a body of the Company's troops to act against the Mahrattas; offering to pay one lack of rupees monthly, and if they beat the Mahrattas, and dispossessed them of the country belonging to him, he would then agree to give the English the Circars of Rajahmundrum, Ellore, and Mustaphanagur; and that, on the proposal not being accepted, he had left those Circars under the management of Hussein Ally, and had granted the Guntoor or Condavir Circar, in Jagheer, to his brother Bazalet Jung; continuing Vizeram Rauze (son of Anunde Rauze) in that of Cicacole; and in a letter from Madras of April 1766, it is expresly said, that after Colonel Ford had taken Masulipatam, and put an end to the authority of the French in the Decan, all the Five Circars were restored to the dominion of the Soubah.

It is observable, that Salabut Jung's first grant to the French was of Masulipatam only. Mr. Orme has given us the income of it, distinctly from that of the Circars. It was the only part of the country which the Company retained from 1759, till they obtained the grant of the Circars in 1765. From these circumstances it is pretty evident, that Masulipatam was considered as a district of itself from any of the Circars, or perhaps as forming a Sixth Circar. The other Five take their names from the capital of each. Condavir or Guntoor from the towns bearing those names. Ellore from that town, and so of the rest. And hence it was that Hussein Ally's authority over Ellore, as the manager or renter thereof to the Soubah, might be perfectly compatible with the Company's enjoyment of Masulipatam.

From these facts we think ourselves warranted in the following conclusion (namely) that the distinct district of Masulipatam, with the fortress and port belonging to it, were obtained BY CONQUEST; and from the moment of the capture of the fort by Colonel Ford, they became vested in full and intire property as well as sovereignty in the King; and at this day *continue* the estate of the Crown, to be kept or granted as His Majesty may think fit.

Should it be objected that because Masulipatam had been held by the French as a fief of the Indian Empire, and that the change of hands could not alter the

the rights of the Mogul or his Soubah, as the paramount lords, we are ready to admit that the King, by his prerogative, must of necessity be the *summus dominus supra omnes* over all territories held by him; that lands in his possession are free from every tenure; that he can neither be a joint tenant with another, nor hold of another. But with this admission, and though in fact the Soubah had taken no part in the hostilities between the English and the French, yet we conceive that the levying war in the Decan against the French, they being feudatories of the Soubah, must, to every legal intent, be held as levying war against that power also; and that by the conquest, the sovereignty as well as the soil became instantly annexed to the Crown of England. If the French had themselves the sovereignty, the legal effect would have been the same. The subsequent agreement by Col. Ford with Salabut Jung, could not change or vary the nature of the King's title to Masulipatam once acquired, nor under the Charter of 1757 could the Company restore it, because they were restrained from ceding back any acquisitions belonging to the European states. The treaty of Peace, in 1763, completely established the right of the King; the French having thereby renounced all their acquisitions on the Coast except their Factories, which alone were restored to them.

The Acquisition of the Circars.

THE new Soubah Nizam Ally, derived his right to the Government of the Decan under a grant from the Mogul; he was pressed on all sides by the armies of the Mahratta States and of Hyder Ally, and was in the utmost distress both for money and succours. He appears from the first commencement of his accession, to have anxiously courted our alliance, as the surest means of furnishing himself with protection against the French, whom he both feared and had offended, and against the ambitious views of his troublesome neighbours. We have already seen that he made his first overtures to Mr. Alexander at Rajahmundrum in 1760, immediately after he had deposed his brother. In 1761 he repeated them, with an earnest desire to be assisted with troops, and an offer of the Circars by way of subsidy. At this period it would on many accounts have been desirable for the Company to have complied; but the period was critical, and European forces could not be safely spared. In the mean time many of the Zemindars and Renters in the Circars, taking advantage of the weakness of the Soubah's Government, and the unsettled state of the Decan, had become refractory, had with-held their tribute, and had bid defiance to the authority of Hussein Ally the Soubah's manager; and to render the anarchy the more general, the more powerful of the Zemindars had waged war against each other. Unable to send assistance from Hydrabad, the Nizam, in the autumn of 1762 deputed his Minister Hussein Ally, to the Presidency of Fort St. George, with *grants or sunnuds* for the Four Circars in the nature of a subsidy, again repeating his request for a European force. The war with Spain had been just commenced, and the expedition against Manilla undertaken, so that the Madras Government were unable to comply. They, however, did not choose to hazard the giving the Soubah

offence,

offence, by an abrupt rejection of the Sunnuds, nor a positive refusal, fearing he would admit the French again to their possession of those districts; pressed by Hussein Ally to lend him a small body of Native troops to support his authority in the Circars, and persuaded that it was the general disposition of the Zemindars and Renters, to submit to any reasonable proposals if sanctioned by the Company's authority, and that their name alone would go far in drawing them back to their allegiance, the Madras Government, with Hussein's consent, proceeded to publish the Sunnuds in the Circars, and though no force was used, the Zemindars and Renters came immediately in and settled for their rents with Hussein Ally and the Company's civil officers. It appears however, that a small body of Sepoys was sent from Madras to Masulipatam, to have enforced obedience to the Sunnuds if it had been found necessary. But the submission of the Zemindars was spontaneous and immediate, and it does not appear that these Native troops had occasion to stir from their place of landing.

In the mean time the Soubah despairing of our assistance, found means to appease, in some degree, the Mahratta army. Full of resentment at the conduct of the Company, for their breach of the confidence he had reposed in them by the publication of the Sunnuds, without a compliance with the condition annexed to them, he meditated revenge both on the Company and on his own Minister. The Madras Government therefore submitted to restore both the Sunnuds and the country; and as soon as the expences of the troops had been discharged, they were withdrawn. The Nabob of Arcot interposed his mediation with the Soubah for his forgiveness of Hussein Ally, who by dint of a large present lent for the purpose to Hussein by the Nabob, or advanced by the Company's servants, was reinstated in his master's favor; and, recovering his former influence, he returned into the Circars, cloathed with efficient powers for the Government of those districts.

No sooner had the Company withdrawn their succours, than the Zemindars and Renters again fell from their allegiance to the Nizam, who finding that nothing but the Company's influence could keep his subjects there in any degree of subordination, now came forward with a direct requisition for their assistance, and an agreement being settled for the subsidy to be paid for their hire, wherein the charge of the garrisons of Masulipatam and Vizagapatam was included, a body of forces with artillery was again sent from Madras upon that service, and they no sooner made their appearance, than all the Zemindars and Renters quietly submitted; order was restored, and Hussein Ally's authority was fully re-established.

The French had lately returned to their factories on the Coast, and a general rumour prevailed that they were preparing to re-assume their possessions of the Circars under the article in the treaty of Versailles for mutual restoration *; the French ministry having refused, as it was said, to admit the propositions of the Duke of Bedford, relating to India into the final treaty.

* The affairs of India had escaped notice 'till some time after the preliminaries were signed.

Although

Although this report had no foundation in fact, it nevertheless, for the time, was believed, and gave great alarm to the Company's servants; who, well knowing that if the French were to be re-established in their authority and influence in the Decan, former contentions would instantly be renewed, came to the resolution in any event, of resisting any attempt that might be made for that purpose. At the end of 1764, they opened a new negociation with the Soubah for a grant of the Circars, upon payment of a stipulated sum annually. They knew that he had hitherto realized but a trifling income from that part of his dominions, and they flattered themselves that as the Zemindars had ever resisted his authority, while they had shewn an anxious disposition to remain under the Company's protection, the Soubah might be induced to yield to their application, at a rent inferior to what the Zemindars could afford, and were willing to pay to him. In their first overtures they offered him five lacks of rupees for the first year; ten for the second; and fifteen every year after. But so great was their anxiety to seclude the French, that without waiting the event of their first offer, they sent a second messenger with a new one, of a prompt payment of five lacks, and to give fifteen lacks per annum from the commencement. The Soubah stood for twenty lacks, which exceeding the authority given to treat upon, was rejected; whereupon the Nizam immediately granted a Sunnud of them to Hussein Ally, at that or some other large rent, as we have before observed. The zeal of the Madras Government to obtain possession of the Circars, kept pace only with the instructions from the Directors and the advice of Lord Clive. The difficulty was how to affect it without a rupture. The Company had in 1762, 1763, 1764, and 1765, repeated their earnest wishes to obtain them, but at the same time deprecated new wars and troubles, and in particular cautioned their servants how they infracted the treaty of peace, even in the event of the French procuring a new grant of the Circars; and in some of their letters they expressed their concurrence to any agreement with the Nizam, though attended with an engagement to furnish him with the forces he wanted, if weighty reasons or the necessity of the case should require it. Lord Clive was in the mean time anxiously contemplating on the means of effecting the favorite plan he had formed, of uniting our possessions on the Coast with those in Bengal. The reluctance of the Soubah to accept the Company as his tributaries on reasonable terms, with the absolute necessity there appeared for secluding the French, drove that able commander to solicit a grant from the Mogul, conveying to the Company the intire property of the Five Circars; and in 1765 he obtained it. At the time of the grant reaching Madras, the troops we had lent to the Nizam were still in his pay and service in the Circars, and the Madras Government, with the concurrence of Lord Clive, came to the decisive resolution of availing themselves in any event of the grant. Their forces were already on the spot to maintain or enforce the claim. War however, was if possible to be avoided; treachery, chicane and bribery were substituted as the safer instruments. Hussein Ally, the manager for the Soubah, was in the first instance dealt with, and successfully, to betray the interests of his master, and for the promise of a Jagheer (which was actually settled on him afterwards by the Company) and a promise of support

and protection, and also of being continued in his rentership, he agreed to act with the Company. A very small additional force to what was already there, was then sent into the Circars The 800 Native troops under Ibraham Beg the Soubah's military commander were, by the management of Hussein Ally, inlisted into the Company's pay. Vizeram Rauze was also brought over by assurances of lessening his rents, and having traiterously delivered up the Forts of Rajahmundrum and Cossim Cotah, which had been in his charge, he retired to his own Circar of Chicacole. In the mean time a deputation was sent to Hydrabad, again to offer terms of becoming tributaries for the Circars to the Soubah, who was as yet a stranger to the grant of the Mogul. The Fort of Condipilla was deemed a necessary possession to cover the principal pass from Ellore to Hydrabad; and, while the deputies were negociating with the Nizam, General Calliaud seized upon it. This place is situate between the mountains bordering on the Ellore district, and was taken by storm; four Sepoys being wounded upon the occasion. This was most probably a devise concerted to create a panic in the Nizam; for by the agreement then subsisting, our troops were to have possession of any of the Soubah's Forts as the means of subjecting the inhabitants, and Hussein Ally was sole governor. So little was the resistance at this Fort, that if there was any, it was deemed too trifling to be worthy of notice by the commanding officer in his letters of the time mentioning the capture of it. The Mogul's Sunnuds were now published, and every Zemindar immediately acknowledged the Company as their sovereign. After a slow and tedious negociation at Hydrabad, and by dint of money advanced to the Soubah and presents to his * ministers and officers, his own grant of the Circars was obtained for the Company at a rent or annual tribute or gift of nine lacks of rupees, and under an engagement to furnish a body of forces when called upon; and thus was the Company firmly established in the possession of the Circars, except of the Guntoor, for which they were to wait either the death of Bazalet Jung or his breach of faith, in either of which events the Company were to have the possession of that Circar also; and in the interval two lacks of the rent was to be abated. The Nizam reserved to himself the diamond mines and the villages near them, and also the Kildarry and Jagheer of Condapilly.

It had been agreed that our troops should join those of the Nizam and the Mahrattas, and proceed to the conquest of Hyder Ally's dominions. The troops were accordingly sent, and they remained with him some months; but Hyder by a large bribe brought the Soubah over to his own purposes, and our troops were in consequence withdrawn. Before they quitted the Nizam, a promise was obtained that the tribute (for so it is called) of two lacks per annum for the Chicacole Circar should be relinquished; and in July 1767, the Soubah gave a Sunnud for the remission of it. In August following the Nizam threw off the mask, and openly joined Hyder's army at Bangalore; from whence their

* One lack was given to the chief minister, half a lack to the second, and presents to the inferiors.

horse

horse made excursions and ravaged the Carnatic as far as Arcot. In September, Colonel Smith drove them from the Carnatic, and in December following, the Nizam separated from Hyder Ally, and soon afterwards confirmed, by a new treaty the Mogul's grant of the Circars, and also his own Sunnud for the remission of the tribute for Chicacole, reserving the other tribute of five lacks, and two more for the Guntoor Circar, payable only when possession should be had; agreeing also to allow out of those tributes 25 lacks of rupees for the expence of the war.

After the death of Bazalet Jung, Lord Cornwallis liquidated all accounts with the Nizam, and obtained possession of the Guntoor. The Company paid him a large balance for arrears, and entered into engagements for the regular payment of the whole annual tribute of seven lacks.

In deciding the question of right to the soil and revenues of these Circars, under the peculiar circumstances by which they were obtained, it is necessary to have recourse to first principles; for the right of sovereignty in the present case seems equally disputable with the right of soil. The reason or principle whereon a right attaches to a sovereign over conquered territories, bears a strong analogy to the cases of escheats. By the operation of law, the legal estate (as it is called) in the lands of a bastard or other person dying intestate without heir, devolves upon the Sovereign, because in the very nature of the case, the legal estate can go no where else, and it must be vested somewhere. So of a conquest, the former owners are driven out, and the legal ownership must, by the necessity of the thing, vest in him who has the right to the services of his subjects the conquerors; and as is before shewn, the Sovereign has a right to their service. In such a case, the legal property could otherwise exist in no one; a fluctuating body being by Law incapable of taking an interest in lands. On the other hand, if there be any thing intermediate that prevents the property passing in a direct channel to the Crown, that circumstance compleatly interrupts the operation of the principle we have described. Thus, if a bastard dies intestate, seized of a copyhold of inheritance, it shall not go to the King, but to the Lord of the Manor; and so on an attaint of blood, if the convict has previously transferred the legal interest in his inheritance over to another the King is barred, and shall not take it by his prerogative.

The question then becomes reduced to the simple fact, whether at the time of, and anterior to the Company's taking possession of the Circars, the legal estate in the soil was in them. If it was, it remains so still, and the term of conquest in so far as it has any relation to, or connection with the question of right, is inapplicable to the subject. Every force used however necessary and just, to help any lawful owner to his own, might equally be termed a conquest. In viewing and comparing the case of the Circars with those of Masulipatam and the final conquest of Bengal, for the purpose of discovering the operation of law with respect to the property in the soil, the difference (and a very great one indeed it is) consists in this, that in the former instance the grant was *antecedent* to the possession; it was made by the lawful owner to a party (the East-India Com-

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pany) capable and authorized by law to accept and hold the lands so granted; whereby the legal estate and title became transferred to the Company in the first instance, and they have done no act whatever to divest themselves of it; but have obtained possession as they lawfully might, and have ever since retained it. Whereas in the other cases, the grant being made *subsequent* to the conquest, the law instantly cast the legal estate by the conquest upon the King; and any grants made subsequent to the King's title once acquired, though made by the conquered party and former owner to the real conqueror, are unavailable, and cannot operate to divest the King of what he had previously been invested with.

To raise a question at this day upon the efficacy of the Mogul's grant to the Company, would be absurd and preposterous, as striking at the very root of their titles to various parts of our possessions in India, and particularly to the settlements of the Company; and because if the grant be bad, it will not make a title in the King.

With respect to the means used for obtaining the grant in question, it will be also nugatory to enter upon the enquiry, since no part of the claim of the Public is founded upon an imputed forfeiture; and because by the jurisprudence of England, the King must shew a legal title in himself to support his right; no equitable circumstances can avail him in such a case against his subjects. Besides which, if a fraud, however gross and atrocious it may have been, were to be proved or admitted in respect to the means used to obtain the grant, it could give no right of resumption here, nor assist the claim of the Crown or the Public. If by the enormity of the fraud, the grant could be vitiated and set aside, the lands must revert to the grantee upon whom the fraud was committed.

That the Company were capable, and must so continue 'till the law is altered, of acquiring landed property by grants from the country powers to an indefinite extent, is evident both in the letter and the spirit of their Charter, and no man will be hardy enough to deny it, after the high legal authority we have before quoted at large in the Third Chapter upon that very point.

Lest what we have already said should not be thought sufficient for supporting the exclusive claim of the Company to the Circars; and lest the claim of the Public should be again brought forward as for a country obtained by conquest, it may be right further to discuss the fact.

That fraud and every species of corruption, chicane and artifice, were practised to create fears and apprehensions in the mind of the Soubah, as the means of influencing and bringing him into our views for effecting our purposes; and that we corrupted his ministers and commanders to gain them over to our interests, will not be denied. Practices of a nature which would never have been admitted in the Councils of the Company's servants, under other circumstances than the very peculiar ones which at that critical juncture existed. But

we see in this nothing like *conquest*. The forces we had in the Circars, except a very few that had been added for shew more than actual service, to attend the publication of the Mogul's grant, were at that time in the pay and service of the Soubah himself, and we were in perfect amity with him. The bare act of taking possession of the defenceless Fort of Condapilly and the pass, cannot surely be deemed a conquest of the Circars. It is much to be doubted, if that Fort is deemed a part of the Circars, nor does it clearly appear that it was garrisoned by the Soubah's forces. It may rather be presumed to have been held by a Zemindar, as those Forts were which we obtained by corrupting Vizeram Rause. But admitting it was the Soubah's, it will be found situate at the extremity of the Circar of Ellore, between the hills, which form the north-west boundary of it. As well might it be argued that by the capture of Breda, the French had accomplished the conquest of the United Provinces, as that a country six hundred miles in length on the sea coast, was conquered by taking this hill fort, situate at the Western extremity of it. The Government of Fort St. George, the moment they knew of the Mogul's grant, had undoubtedly resolved to seize and keep the Circars upon many considerations both political and commercial, and had concerted and taken their measures to meet the event of the Nizam ultimately rejecting their proposals, or of his resisting their attempts to keep them by force. But both justice and policy dictated the propriety of holding them as fiefs of the Empire under the Native Sovereigns, by a rent and military tenure, rather than to involve the country in a new war; and their plan succeeded. They purchased, of the Soubah, a confirmation of their possession by a fine, a yearly rent or tribute, and an engagement to furnish a body of forces when required. They acted upon this agreement by an actual supply of troops immediately after, and they have paid the stipulated rent. It may be said, and perhaps truly said, that the Soubah's mind was influenced in making the grant more by panic and the fear of resentment if he should refuse, than by any advantages he could expect to derive by his compliance. But the motives for his conduct can in no way be admitted to affect the decision on the question of right, nor will they admit of proof; still less ought we to presume that because the Company's servants pursued improper means to gain their point, those means failing, the conquest of the Circars must of necessity have followed; as well might it be argued that though the grant was obtained, the Company instead of being permitted to take the fruits of it, shall be considered as having done that, which they did not in fact do, and which their ability to have done, must have depended altogether on the precarious events of war.

With respect to the treaty of 1768, whereby the Soubah in effect ratified the two former agreements; nothing material appears to us to arise from it to alter the question of right, and therefore we forbear to enter into any discussion of it. The Company's tenure and their possessions remained as before.

It has been noticed that by *conquest*, the sovereignty, as well as the soil, passes to the Crown. If the Law Officers in India had conceived that the Circars were

held

held in right of conqueſt, they could have had no difficulty in adviſing their conſtituents to have obtained from the Crown a Charter of Juſtice for thoſe parts of their poſſeſſions. The want of Courts of Judicature there, has long been a ſubject of very ſerious complaint. That none have been inſtituted, can alone be aſcribed to the circumſtance of our not holding the Circars by right of conqueſt, but as Jagheerdars and tributaries to the Native Princes. The Law officers of the Company have given it as their opinion, that the ſovereignty remains in the country powers, and that no Courts can be inſtituted but by the authority of the Mogul or his Soubah. If the ſovereignty is not in the King, it muſt follow that the property in the lands or revenues cannot be veſted in him; and although the Crown cannot hold by the tenure of another, it is very conſiſtent for the Company to do ſo, and in fact they always have ſo held from the time of their obtaining their firſt Firmauns from the country powers.

Upon the whole, we retain the opinion formerly given in the Third Chapter,* that in point of law the Crown or the Public have no claim againſt the Company in the northern Circars, and that they are held by the Company as Jagheerdars to the Mogul, (a ſpecies of military tenure, by which they are to furniſh a number of cavalry, determinable by the Emperor's books) paying at the ſame time by voluntary compact, a fixt tribute to the Soubah of the Decan, who is the nominal viceroy and repreſentative of the Mogul in thoſe parts.

How far ſo large a territory may be neceſſary for the purpoſes of commerce, and in that reſpect proper to be kept by the Company, or for any political purpoſes to be taken from them and placed in the Crown, it is not our province to determine. The Legiſlature are the proper judges in that reſpect. All that we mean to contend is this, that the Circars never were conquered by the Eaſt-India Company; that their title to them is by grant, and that there is no law exiſting by which they can be taken out of their hands, or by which they are liable to account for the revenues of them to the Public, otherwiſe than according to the terms and conditions of their exiſting compact for the continuance of their excluſive trade, by which a temporary participation has been eſtabliſhed of the Revenues of the Britiſh Territories in India at large, of which Maſulipatam and the Circars form a part, with a mutual ſaving of Rights from being prejudiced by that partition.

* Vide the opinions of the Company's Advocate General and Solicitor General at Fort St. George, given in July, 1783.

AN ACCOUNT of the Value of the Goods, distinguishing the principal ie Exports of East India Goods, estimated at the same Rate as the Imports ; i.

	Years.	Walking Canes.	China Ware.	Coffee.	Pepper.	el-k.	Saltpetre.
		£.	£.	£.	£.		£.
Value of Goods sold at the Company's Sales	1789	16,755	39,124	29,720	95,438	52	100,067
	1790	13,668	38,959	14,928	163,097	09	87,041
	1791	4,425	54,550	54,015	175,223	-	85,692
	1792	916	45,201	47,919	149,189	96	160,913
Total Value sold in the Four Years		35,766	177,834	146,582	582,947	59	433,713
Medium Annual Value sold		8,941	44,458	36,645	145,736	14	108,428
Ditto exported		5,657	12,684	14,503	100,472	65	5,434
Medium Annual Value remaining for Home Consumption		3,284	31,774	22,142	45,264	-	102,994
Medium Annual Value retained for Home Consumption, excluding the Duties		2,587	16,682	12,278	25,194	-	86,514

	Years.	Mother of Pearl Shells.	Silk. Bengal Raw.	Silk. China Raw.
		£.	£.	£.
Value of Goods sold at the Company's Sales continued	1789	3,323	289,271	235,50
	1790	—	302,991	217,73
	1791	—	321,882	236,17
	1792	2,322	318,440	148,54
Total Value sold in the Four Years		5,645	1,232,584	837,96
Medium Annual Value sold		1,411	308,146	209,49
Ditto exported		720	46,620	14,48
Medium Annual Value remaining for Home Consumption		691	261,526	195,01
Medium Annual Value retained for Home Consumption, exclusive of the Duties		573	233,883	145,35

	Years.	Walking Canes.	China Ware	Coffee.	Pepper.	el-k.	Saltpetre.
		£.	£.	£.	£.		£.
Value of East-India Goods exported	1789	8,796	12,721	12,476	92,115	87	505
	1790	5,304	12,452	5,968	95,577	78	7,515
	1791	5,316	11,520	661	125,129	71	7,921
	1792	3,214	14,046	38,909	89,068	26	5,397
Total Value exported in the Four Years		22,630	50,739	58,014	401,889	62	21,738
Medium Annual Value exported		5,657	12,684	14,503	100,472	65	5,434

	Years.	Mother of Pearl Shells.	Silk. Bengal Raw.	Silk. China Raw.
		£.	£.	£.
Value of East-India Goods exported, continued	1789	1,792	65,481	31,60
	1790	897	55,174	11,69
	1791	—	50,913	9,03
	1792	194	14,913	5,59
Total Value exported in Four Years		2,883	186,481	57,92
Medium Annual Value exported		720	46,620	14,48

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RECAPITULATION of the preceding Account.

Medium Annual Amount of East India Sales, including Duties paid by the the Purchasers, viz. in Goods £. 5,015,180; in Duties £. 1,060,692; in all	
The above Sum of £. 6,075,872 consists of the following Articles, includin	
1st. Walking Canes, China Ware, Coffee, Pepper, Sago, Tea, Turmeric, and unmanufactured Goods, and sundry small Articles	£. 2,756,2
2dly. Drugs and Cowries - - - - - - - -	14,3
3dly. Indigo, Red Sanders, Saltpetre, Mother of Pearl Shells, Bengal and China Raw Silk, Cotton Wool, and sundry small Articles -	704,2
4thly. Callicoes, Muslins, and Nankeens - - - - -	500,6
Total Amount retained for Home Consumption, including the Duties - - - - - -	3,975,5
Goods exported, including the Duties - - - -	2,114,37
Total - - - - - - -	6,089,9
Deduct the Amount of those Articles, the value of which on exportation exceeded the value sold, arising from a greater quantity of these Articles having been on hand at the time the Account commenced, than at the period in which it terminated -	14,0

RECAPITULATION, exclusive of the Duties.

Medium Annual Amount of East India Sales, exclusive of the Duties -		
The above Sum of £. 5,013,239 consists of the following Articles, exclusive of the Duties.		
1st. Walking Canes, China Ware, Coffee, Pepper, Sago, Tea, &c. as above - - - - - - - -		£. 2,370,0
2dly. Drugs and Couries - - - - -		11,2
3dly. Indigo, Red Sanders, Saltpetre, Mother of Pearl Shells, &c. as above - - - - - - -		606,2
4thly. Callicoes amounting to £. 77,877; Muslins £. 294,831; and Nankeens £. 21,820; making in all - - -		394,5
Total - - - - - - - -		3,382,0
Deduct the Amount of those Articles where the Export exceeds the Sale - - - - - - -		14,0
Medium Annual Value of Goods retained for Home Consumption		3,367,9
Amount of Goods exported - -	£. 2,114,378	
Deduct Drawbacks repaid to the Exporters -	433,601	
		1,680,7
Total - - - - - - -		

The difference between the Value sold, exclusive of the Duties, and th accounted for, amounting to £. 35,484, arises from a variety of circumstanc which, in figures, would greatly tend to complicate the Account.

An ABRIDGMENT of the ACT for ſettling the Government and Trade of INDIA, and for the Appropriation of the Territorial Revenues and Profits of Trade.

THE CONTROUL AT HOME.

THE Act provides for the continuation of the Board of Controul for the Affairs of India in all its parts, except, that inſtead of the Secretary of State being the Preſident, the perſon firſt named in the King's Commiſſion is to be the Preſident; and, inſtead of the Commiſſion being limited to ſix Privy Counſellors, the number is indefinite, reſting on the King's pleaſure; of which, however, the two principal Secretaries of State and the Chancellor of the Exchequer are to be three: and His Majeſty may, if he pleaſes, add to the liſt two Commiſſioners, who are not of his Privy Council.

By the former Act, no ſalaries were given to the Commiſſioners for India; and thoſe of their Secretary and other Officers were to be paid out of the Civil Liſt. By the new Act, the King may give £. 5,000 a year amongſt ſuch of the Commiſſioners as he pleaſes; which, together with the ſalaries of the Secretary and Officers, and other expences of the Board, are to be paid by the India Company, and not by the Civil Liſt. The whole is not to exceed £. 16,000 a year, the Commiſſioners Salaries included.

Oaths are preſcribed for the Commiſſioners and their Officers. The office of a Commiſſioner or Chief Secretary, is not to be

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deemed a new office, to disable their sitting in Parliament. The appointment of a Commissioner not having a salary, or of a Chief Secretary (if a Member of the House of Commons) is not to vacate his seat; but the appointment of a Commissioner, with a salary, will vacate his seat. Three Commissioners must be present to form a Board.

The powers of the Board are, in substance, the same as under former Acts of Parliament. They are to superintend, direct and controul all acts, operations and concerns which relate to the Civil or Military Government and Revenues of India, subject to the restrictions hereafter-mentioned. They and their Officers are to have access to the papers and records of the Company, and to be furnished with copies or extracts of such of them as shall be required. They are also to be furnished with Copies of all proceedings of General Courts and Courts of Directors, *within eight days*; and with Copies of all dispatches from abroad, which relate to Matters of Government or Revenue, immediately after their arrival. No orders on those subjects are to be sent by the Company to India until approved by the Board, and when the Commissioners vary or expunge any dispatches proposed by the Directors, they are to give their reasons; and all dispatches are to be returned to theCourt of Directors in fourteen days. The Directors may state their objections to any alterations, and the Commissioners are to reconsider them, and if they interfere with what the Directors may deem matters of Commerce, the Directors may apply to the King in Council to determine betwixt them. But the Board are restricted from the appointment of any of the Company's Servants. If the Directors, on being called upon to propose dispatches, on any subject relating to Government or Revenue, shall fail to do so within fourteen days, the Board may originate their own dispatches on that subject.

The Board are not to authorize any encreafe of falaries, or any allowance or gratuity to be granted to perfons employed in the Company's fervice, except the fame fhall be firft propofed by the Company, and their intention and reafons for fuch grant are to be certified to both Houfes of Parliament thirty days before the falary can commence.

The Directors are to appoint three of their members to be a Committee of Secrecy, through whom difpatches relating to Government, war, peace or treaties, may be fent to, and received from India. The Secret Committee, and the perfons they employ to tranfcribe fecret difpatches, are to be fworn to fecrecy.

Orders of Directors concerning the Government or Revenues of India, once approved by the Board, are not fubject to revocation by the General Court of Proprietors.

THE GOVERNMENTS ABROAD.

The prefent Forms of Goverment over the Prefidencies of Bengal, Fort St. George and Madras, are continued in all their effential parts. For Bengal, by a Governor General and three Members of Council. For each of the others, a Governor and three Members. Thefe latter, in refpect to treaties with the native Powers of India, levying war, making peace, collecting and applying Revenues, levying and employing forces, or other matters of civil or military Government, are to be under the controul of the *Government General* of Bengal; and are, in all cafes whatever, to obey their orders, unlefs the Directors fhall have fent to thofe fettlements any orders repugnant thereto, not known to the Government General; of which, in that cafe, they are to give the Government General immediate advice.

The Court of Directors are to appoint to thefe feveral Governments; namely, the Governor General, the two other Governors,

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and the the Members of all the Councils; and likewise the Commander in Chief of all the forces, and the three provincial Commanders in Chief. None of the Commanders in Chief are, *ex officio*, to be of the Council; but they are not disqualified from being so, if the Directors shall think fit to appoint them, and, when they are Members of the Council, they are to have precedence of the other Counsellors. The civil Members of Council are to be appointed from the List of Civil Servants, who have resided twelve years in the service in India.

The Directors may appoint to any of those offices provisionally, but without salary, till the persons appointed shall actually succeed in possession. Any vacancy of Governor General, or Governor, when no provisional successor is on the spot, is to be filled by the Senior of the civil Counsellors, till a successor shall arrive, and the vacant seat in Council, thereby occasioned, shall be temporily supplied from amongst the Senior Merchants at the nomination of the acting Governor General, or Governor, if only one Counsellor shall then remain. The Governor General and Governors may supply vacancies in Council from the List of Senior Merchants, until successors, duly appointed, shall arrive to take their seats. In all these cases, the salaries and allowances are to follow the acting Members while in office. If the Directors fail to appoint to vacancies in two calendar months after notification thereof, the King may supply them, and the Directors shall not remove any person so appointed. In all other cases the Directors have the power of recalling or dismissing any servants; and the like general power is vested in the Crown. Appointments made before the Act are not to be thereby disturbed.

The Commander in Chief of all the forces, when at either of the subordinate settlements, is to have a seat at the Council Board, but is to have no salary in respect thereof; and if the Provincial Commander is a Member of that Council, he may continue to delibe-

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rate, but his voice ſhall be ſuſpended, as long as the other ſhall remain.

Proviſion is made for ſupplying the place of any Member of Council, diſabled from attending by any caſual illneſs or infirmity.

The departure of any Governor or Member of Government, or Commander in Chief from India, with intent to come to Europe, or any written reſignation delivered in by them ſhall be deemed an avoidance of office, and the coming into any part of Europe ſhall be a ſufficient indication of that intent. No ſalary ſhall be paid or payable to any Officer, or his Agent, during abſence, unleſs employed on actual ſervice; and if any officer, unleſs abſent on ſervice, never returns, the ſalary is to be deemed to have ceaſed from the day of his quitting the ſettlement.

The Act preſcribes the order and method of conducting buſineſs at the ſeveral Council Boards. Matters propounded by the Preſident, ſhall be firſt proceeded upon. He may adjourn the diſcuſſion of queſtions put by the Members of Council, but not more than twice, nor beyond forty-eight hours each time. All orders are to be expreſſed to be made by the Governor General *in* Council, or Governor *in* Council. Powers are given to the Governor General or Governors, to act contrary to the opinions of the other Members of Council, taking upon themſelves the ſole reſponſibility. On ſuch extraordinary occaſions, the Governor General, or Governor, and Counſellors are to communicate to each other their opinions and reaſons by minutes, in writing, and to meet a ſecond time; and if both retain their firſt opinion, the minutes are to be entered on the conſultations, and the orders of the Governor General, or Governor, are to be valid, and put in execution.

If the Governor General ſhall viſit any ſubordinate *preſidency*, he ſhall appoint a Vice Preſident to act in Bengal during his ab-

ſence, who, with the Council, may act for that Preſidency alone. The Governor General's authority, and that of his Council over ſuch ſubordinate ſettlement, ſhall be transferred to the Council Board of the Preſidency where he ſhall be preſent; except in judicial caſes. And whilſt he is in a ſubordinate Preſidency, the Governor thereof ſhall have only a voice in Council. His other authorities, except in regard to judicial matters, ſhall be ſuſpended. If the Governor General ſhall be in the field without a Council, all the Governments and Officers ſhall obey his orders, and he alone ſhall be reſponſible.

Theſe extraordinary powers ſhall not extend to the impoſing any tax, nor to any act which might not be done by the whole Council, nor to any judicial caſe, nor to the ſuſpenſion of any ſtanding order of Government, nor ſhall thoſe powers be exerciſed by perſons caſually ſucceeding to the temporary Government; and the Directors, with the approbation of the India Board, may ſuſpend theſe extraordinary powers, and again revive them; and all the Governments are laid under reſtrictions to prevent war or extenſion of dominion in India, unleſs hoſtilities againſt the Company, or their allies, ſhall render war unavoidable; and the Members of the ſubordinate Governments, acting contrary to this Act, or to the directions of the Government General, may be ſuſpended or diſmiſſed by that Government, and further puniſhed. The ſubordinate Preſidencies are alſo required to communicate all matters of importance to the Superior Government, with all diſpatch.

The Governor General, and the other Governors, are veſted with powers of apprehending perſons ſuſpected of illicit correſpondence. Witneſſes are to be examined and croſs examined, and their evidence recorded; and the parties may be tried either in India or ſent home: in the latter caſe, the depoſitions of the witneſſes are

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alſo to be ſent home, and are to be received in evidence, ſubject to impeachment in reſpect to the competency of the witneſſes.

To the acting Preſident of the ſeveral Council Boards, is given a caſting vote in all caſes of equality of voices.

PATRONAGE AND RULE OF PROMOTION.

The Directors are to appoint ſo many Cadets and Writers only, as to ſupply vacancies according to returns from abroad. Their ages ſhall not be under fifteen, not exceed twenty-two, unleſs any Cadet ſhall have been one year in the King's ſervice, and then his age is not to exceed twenty-five years. All ſhall have promotion by ſeniority of ſervice only. Three years ſervice qualifies a civil ſervant for a place of £.500 a year; ſix years for one of £.1500; nine years £.3000; twelve years £.4000 a year or upwards. None to take two offices, where the joint emoluments ſhall exceed this rule. All Collectors of the Revenue are to take the oath preſcribed in the Act againſt the acceptance of preſents, and for faithfully rendering to the Company all they ſhall receive.

The acceptance of any preſent, by any ſervant of the Crown, or of the Company in India, is made puniſhable as for extortion (with a ſaving of fees to profeſſional men) and the Court, before whom ſuch offence is tried, on any conviction, may return the preſent to the party who gave it, or diſpoſe of any fine in favour of the proſecutor.

Diſobedience of orders of the Directors by ſervants abroad, is made puniſhable as for a miſdemeanor, and ſo is any breach of truſt or duty, or making or being party to any corrupt bargain concerning any office or employment, whether by a King's or a Company's ſervant; and all the King's ſubjects in India are made

amenable

their carrying trade into the Pacific Ocean, by the way of Cape Horn, to the northward of the Equator, limited to 180 degrees west longitude from London; and ships from Nootka Sound are to be licensed to trade from thence with Japan and China, but are not to bring any goods of the produce or manufacture of those Countries to Great Britain.

LIMITATIONS ON THE EXCLUSIVE TRADE TO AND FROM INDIA.

All persons may export and import goods to and from India in the Company's ships, except that they shall not export military stores, ammunition, masts, spars, cordage, anchors, pitch, tar, or copper; nor import India callicoes, dimities, muslins, or other piece goods, made or manufactured with silk or cotton, or with silk or cotton mixed, or with other mixed materials, unless it be done by leave of the Company. If the market shall not be sufficiently supplied with the excepted articles of import or export, with an exception of military stores and copper, the Board of Controul may open that trade also to individuals. If the Company should not export 1500 tons of copper annually, private Traders may export copper, in the Company's ships, to the amount of the deficiency.

The Company are to furnish private Traders, till 1796, with 3000 tons of shipping yearly, computed on the same principle as the Company's own tonnage is computed. The quantity may be increased by order of the Board of Controul, to meet the demands of the private Traders; and if the Board order more than the Company approve, they may appeal from the order to the King in Council. And the Company are restricted from charging any higher freight than £.5 per ton outwards, and £.15

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per ton inwards, except in time of war, or in circumſtances incidental to war, or preparations for war, when they may charge an increaſed rate of freight, in a due proportion to the rates at which they ſhall take up their own ſhipping, but the propoſed increaſe can only be made by the conſent of the India Board, to whom the Directors are alſo required, in 1794, and in every third year afterwards, to lay a ſtatement of the affairs of ſhipping, and to abide by their order, touching any continuance, encreaſe, or abatement of the rate of freight on private trade.

Private traders are required to notify to the Company's Secretary, at home, and to the proper officers in India, at a time limited, the quantity of tonnage wanted by them for the enſuing ſeaſon, with the place of deſtination, and the time when the goods will be ready for ſhipping. At home, this notice is to be given before the 31ſt Auguſt for the ſhips of the enſuing ſeaſon, and before the 15th September they are to depoſit the ſum for the tonnage, or give ſecurity to the Directors for payment of it. Before the 30th of October, they are to deliver a liſt of the ſorts and quantities of the goods intended to be ſent. In failure of having them ready, by the day ſpecified in the notice, they are to forfeit their depoſit or the ſecurity, and alſo their tonnage for that turn. Similar rules are preſcribed for ſhipping, &c. goods in India; but it is left to the Governments there to fix the times, and to name the officers, to whom notices are to be given. The Company is to have the benefit of all forfeited and vacant tonnage, and if more is demanded for private trade than the quantity limited, every perſon is to have his due proportion; and notice is to be given him thereof, ſeven days before the day for making the depoſits. All Private Trade is to be regiſtered in the Company's books, and, in default of being regiſtered, it is to be conſidered as illicit trade, and puniſhable accordingly.

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The reſtrictions of the law againſt the Company's Servants, or others, from acting as factors for foreigners, or lending money to foreign Companies, or on bottomry of their ſhips, or aſſiſting them with remittances by bills, are repealed. And all legal impediments to the recovery of debts, under any pretence that they were incurred illicitly, and againſt the letter of theſe abrogated laws, are removed; and all perſons in India, not ſpecially prohibited by the Company, or reſtricted by their covenants, are authorized to act as mercantile agents for any who may chooſe to employ them; and if there ſhall be a want of Factors (properly qualified and authorized) the Company are to licenſe free merchants, with the approbation of the India Board, ſo that there may be always a proper ſupply of agents for conducting the Private Trade abroad. But the becoming factors is not to exempt any perſons from being amenable to the general authorities of the Governments in India; and all Agents are reſtricted from going beyond ten miles from ſome principal ſettlement without ſpecial leave.

As a further relief to Private Traders, the duty of 5 per cent., granted by an Act of King William, on Goods imported in Private Trade, is, in reſpect to the India Trade, repealed; and the Company's uſual charge of 2 per cent. diſcontinued, and in lieu of theſe, and in ſatisfaction of the expences of unſhipping, hoyage, cartage, warehouſe room, ſorting, lotting, and ſelling private goods, the Company is to have £. 3 per cent. on the groſs amount of the ſales of Private Trade, the cuſtoms thereon included. The repeal, or the allowance thus ſubſtituted, is however not to extend to ſpecial engagements made between the Company and any of their Officers, touching their privileges.

For the eaſe of manufacturers, who may import any articles of raw materials, Rules or By-Laws are to be framed and eſtabliſhed

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for bringing them to as early a ſale as poſſible, and for preventing any undue preference in the ſales of the ſame commodity amongſt any of the importers, whether the goods belong to the Company or to Individuals, the ſales are to be open and public, by inch of candle; and the whole conſignment bought in by the private importer, is to be delivered out to him, on payment only of the duties and other dues thereon. All other goods imported in Private Trade are to be ſold, and treated as heretofore, according to the By-Laws of the Company; and all goods in Private Trade are to pay to Government the ſame cuſtoms as goods imported by the Company on their own account.

And inaſmuch as the allowance of 3 per cent., and the rates of freight, will be inſufficient to indemnify the Company their actual charges upon Private Trade, the Legiſlature hath thought it juſt to exempt the Company from actions for loſſes or embezzlements, which a common carrier might, in ordinary caſes, be liable by law to make good to the owner. But the Act provides that the Company's Officers, and all perſons through whoſe means or negligence any loſs ſhall happen, ſhall be liable to make it good to the owner, and it gives a further remedy to the owner, in certain caſes, to recover ſatisfaction, by enabling him to proſecute under the written engagements or ſecurities taken by the Company for the ſafe keeping of their own merchandize. All the laws prohibiting the import of goods from any other place than that of their growth, and for continuing all prohibitory laws in reſpect to the conſumption or wearing of foreign manufactures are continued.

APPROPRIATIONS.

Firſt; in India. The territorial revenues are to be applied, in the firſt place, in defraying all charges of a military nature. Secondly;

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In payment of the intereſt of the debts there already, or hereafter to be incurred. Thirdly; In payment of the civil and commercial eſtabliſhments. Fourthly; In payments of not leſs than one million per annum for the Company's inveſtments of goods to Europe, and remittances and inveſtments to China; and the ſurplus, if any ſhall remain, is to be applied in the diſcharge of debts, or ſuch other purpoſes as ſhall be directed from home. The ſum allowed for inveſtments, may from time to time be increaſed to the extent of the diminution made in the annual amount of the intereſt of debts which ſhall be paid in India or transferred home; for which transfer, proviſion is made to an extent of £.500,000 a year, by bills of exchange to be drawn upon the Company: and if the creditors ſhall not ſubſcribe to that amount, other perſons may ſubſcribe, and the money advanced by them for bills is to be applied in diſcharge of ſuch debts; and this rule is to be continued till the India debt ſhall be reduced to two millions. The Company may increaſe theſe transfers home, but the Governments abroad are reſtricted from exceeding the above amount, without their orders.

Secondly at Home. The net produce of the Company's funds at home, after payment of current charges, are thus appropriated: First; In payment of a ten per cent. annual dividend, on the preſent or any increaſed amount of the capital ſtock of the Company. Secondly; Of £.500,000 per annum to be ſet apart on the firſt March and the firſt September, half yearly; and applied in the diſcharge of the before-mentioned bills of exchange, for the aforeſaid reduction of the India debt. Thirdly; Of a like annual ſum of £.500,000 to the Exchequer, to be applied by Parliament for the uſe of the Public, and to be paid on the 1ſt of January and firſt of July, half yearly, by equal inſtalments. And, laſtly; The ſurplus may be applied in the more ſpeedy reduction of the India debt, till reduced

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to two millions; or in discharging debts at home, so as not to diminish the bond debt below £.1,500,000. Subject to these appropriations, and after the debt in India is reduced to two millions, and the bond debt at home to £.1,500,000; *one sixth* part of the ultimate surplus, is to be applied to an increase of dividend on the capital stock, and the remaining *five sixths*, is to be made a Guarantee Fund, or collateral security for the Company's capital stock, and their dividend of ten per cent. until such Fund, by the monies paid by the Company, and the interest thereof, shall have amounted to twelve millions; and after that time, the said *five sixth* of the surplus is to belong to the Public in full right. These *five sixths* are to be paid into the Bank, and laid out in the purchase of redeemable annuities, in the names of the Commissioners for the reduction of the National debt, who are also to receive the dividends, and lay them out in like manner, until twelve millions have been invested. That being accomplished, the annual dividends of the stock purchased therewith, are, in the first place, to make good any defalcation in the Company's revenues, to pay the ten per cent. dividend, and subject thereto, those dividends are to belong to the Public. If on the Company's exclusive trade being determined, their own assets shall prove insufficient to make good their debts, and also their capital stock rated at 200 per cent., the excess of such Guarantee Fund is to make good the deficiency, as far as it will extend, and in the event of the Company discontinuing their trade altogether, the excess is to belong to the Public. But if the Company shall continue to trade with a joint stock, then the overplus, and the annual dividends thereof, are to remain as a like guarantee, for a dividend of ten per cent. and the capital rated at £.200 per cent. as long as the Company shall trade with a joint stock; but subject to the making good any such deficiencies the said Fund is to be deemed the property of the Public.

If the bond debt at home, or the debts abroad, after being reduced to the sums before limited, shall be again increased, the former appropriation is to be revived, until those debts shall be again diminished to their respective standards before limited.

Any deficiency in the Funds to make good the £.500,000 to the Exchequer in any year, is to be made good in the excesses of subsequent years, unless it happens in time of war, or by circumstances incidental to war, in which case the deficiencies are not to be carried forward as a debt on the *annual* funds of the Company, nor be brought forward as a debt to be paid by the Company, unless only in the event of their assets, on the conclusion of the exclusive trade affording more than sufficient to make good the capital stock, rated at £.200 per cent. but any excess of such assets beyond that amount, is liable to make good the deficiency of any such payments to the Public; no interest is to be computed in the mean time on such deficiency.

The securities given by the Cashiers of the Bank, are to extend to the monies they may receive under this Act, and the Treasury is to direct the allowances for management; and if the India Company make default in any payments directed by the Act, they may be sued, and shall pay £. 15 per cent. damages with costs of suit.

The Act directs the manner in which receipts shall be given, and a power is lodged in the Treasury, to give the Company further time for payment in cases of exigency. And it is declared, that neither the claims of the Public, nor of the Company, to the territories in India, shall be prejudiced by the Act, beyond the prolongation of the term in the Exclusive Trade. The act also contains a clause of mutual acquittal of all outstanding demands between the Crown and the Company, to the 24th Day of December,
3817. 1792.

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The Act recognizes the rights of the Company to a ſum of £467,896 7s. 4d. in money and £9,750 Eaſt India ſtock; (which ſums conſtitute the ſeparate Fund of the Company, eſtabliſhed under the Act of 1781;) and it is obſerved, that it will be more for the general intereſt of the Company to continue that money employed in trade, computing an intereſt upon it, and to make it a fund for a permanent increaſe to their dividend, of 10s. per cent., than to draw it from their trading capital for any ſudden diſtribution. And it then authorizes and limits the Company to make a dividend from this ſeparate fund, and the intereſt thereof, after the rate of 10s. per cent. per ann. during their further term in the excluſive trade; and at the end of the term, it gives them a power of diſpoſing of the remainder of this fund as they ſhall think fit.

The Company are not to grant any penſions, or new ſalaries, beyond £.200 per ann. to any one perſon, without the conſent of the Board of Controul; and they are to lay before Parliament, annually, a liſt of all their eſtabliſhments abroad, and at home, in which all penſions and new ſalaries are to be particularly noticed; and alſo complete accounts of all their affairs, receipts and outgoings of the preeding year, with eſtimates for the following year.

All the old Laws for preventing clandeſtine trade with India, and from lending to or aſſiſting, or being concerned with Foreign Companies, or Foreign Traders, are wholly abrogated, and the following proviſions are ſubſtituted in their place, obſerving that the penalties are made to extend only to ſuch of His Majeſty's ſubjects as belong to Great Britain, Guernſey, Jerſey, Alderney, Sark, Man, Faro Iſles, or to the Colonies, Iſlands, or Plantations in America or the Weſt-Indies; and that all veſſels and goods forfeited, may be ſeized by any of the Company's Officers in India or China.

Perſons

Persons going unlawfully to India, and trafficking there, forfeit ships, vessels, goods, and merchandize, and double the value thereof; one fourth to the Informers, and three fourths to the Company, they paying thereout the costs of prosecution.

Persons unlawfully going to India, shall be deemed unlawful Traders, and subject to the foregoing penalties and forfeitures, and may also be prosecuted as for a crime and misdemeanor, and be liable to fine and imprisonment. One moiety of the fine goes to the King, the other to the Company, if they prosecute, or else to any other informer.

Persons unlawfully resorting to India, may be seized and sent home for trial; and, on arrival, they are to give bail, or be committed to prison.

Persons dismissed the service, or whose licences shall have expired, if they continue in India, are to be continued as illicit Traders, and are made subject to penalties and forfeitures of goods, &c. as such.

Goods shipped clandestinely, or such as are restricted by the Act, and goods unshipped at sea, shall be seized and forfeited, with double the value, and the Master, or other Officer, knowingly permitting or suffering the same, shall forfeit all his wages to the Company, to be deducted out of the monies payable to the owners, and be disabled from again acting in the service.

Any who shall solicit for, or accept a foreign commission, to sail to and trade in India, shall forfeit £. 500, half to the Company, and half to the Prosecutor, or the whole to the Company, if they shall prosecute.

All *Governors and Counsellors* are prohibited from trading, except for the Company; and all Collectors, Supervisors, and

others employed in the Revenues of Bengal, Bahar, and Oriſſa, or their Agents, or any in truſt for them, are prohibited from inland trade, except for the Company. The Judges of the Supreme Court of Judicature in Bengal, are abſolutely prohibited from traffick; and none, without the permiſſion of the Company, ſhall trade in Salt, Beetle Nut, Tobacco, or Rice, on pain of forfeiture of the goods, and treble the value, one moiety to the Company, and the other to the Proſecutor.

None ſhall ſend goods from India to the Continent of Europe, by any other channel than as allowed by the Act, on pain of forfeiture of double the value; but this reſtriction is not to extend to matters of agency, only on the account *bonâ fide* of any foreign Company or foreign Merchant.

The Act then preſcribes the method of ſuing for forfeitures and penalties, and determining the legality of ſeizures. It gives a right of ſuing by Action, Bill, or Information, in any of the Courts of Weſtminſter (in which caſe the venue is to be laid in London or Middleſex), or in the Supreme Court of Judicature in Bengal, or the Mayor's Court at Madras or Bombay; and in ſuch ſuits the legality of ſeizures of perſons, ſhips, or goods, is made cognizable. In caſes of miſdemeanors, the offenders are puniſhable by fine and impriſonment, and if abroad, they may be ſent home, as part of the puniſhment; and a capias, for arreſting the accuſed party, is given in the firſt inſtance, which may be compounded for by bail.

For ſecuring to the Crown the duties for goods unlawfully trafficked with, in the caſes of forfeiture of goods, the Attorney General may proſecute the offenders, or their partners, by bills in a Court of Equity, waving penalties, and the defendants ſhall make full diſcovery of their illicit traffick upon oath, and ſhall be decreed to pay all the duties thereupon to Government, and £. 30 per cent.

on

on the value of the goods to the Company, and ſhall be relieved againſt all other forfeitures. The Company may, in like manner, proceed againſt offenders by Bill in Equity, and if they fail they ſhall pay coſts. Defendants are to pay coſts to the Crown and to the Company, when the decree ſhall be againſt them.

If a common informer, before any ſuit is commenced, ſhall make known any offence to the Company, or the Attorney General, and either of them ſhall prefer a Suit in Equity, in that caſe the informer ſhall be entitled to one third part of the ſimple value of the concern which ſhall be recovered. But if the Directors prefer a proſecution at law, the informer may proceed, but ſhall not diſcontinue the ſuit without their conſent.

When the Company are the firſt informers, the whole of the informers ſhares of penalties and forfeitures ſhall belong to the Company, although the ſuit be commenced after the time elapſed for common informers to ſue or proſecute the offence.

On any ſuit againſt the Company or their Servants for ſeizing, &c. the defendants may plead the general iſſue, and give the Act in evidence, and the burthen of proofs ſhall be on the plaintiffs, that the ſeizure, &c. was unlawful; and on nonſuit, verdict, or judgment, the plaintiffs ſhall pay treble coſts.

The Acts or parts of Acts repealed, are as follow: 9 and 10 W. 3. ch. 24. ſ. 81. The whole of the temporary Act of 5 Geo. 1. chap. 21. and ſo much of the ſeveral Acts as continued it in force. The 7 Geo. 1. ch. 21. ſ. 1. to ſ. 9. The whole of 9 Geo. 1. ch. 26. The 5 Geo. 2. ch. 14. ſ. 9. The 17 Geo. 2. ch. 17. ſ. 11. The 10 Geo. 3. ch. 47. ſ. 1 and 2. The 13 Geo. 3. ch. 63. ſ. 23 to 29. and ſ. 32 to 35. The 21 Geo. 3. ch. 65. ſ. 29. The 24 Geo. 3. ch. 25. ſ. 3, 13, 29 and 31. The whole

of

of the 26 Geo. 3. ch. 16. and the 32 an[illegible] of 26 G. 3. ch. 57. The repeal is not to extend to offences committed before the commencement of the Act, nor is it to affect the powers of the present Board of Controul, until a new one shall be appointed; nor to affect the powers given to the India Board by certain Acts of the 28th and 31st years of the King, concerning the forces in India.

The jurisdiction of the Supreme Court of Judicature at Fort William, in causes of Admiralty, is made to extend to the High Seas at large, whereby a defect in the Act of 1773 for constituting that Court is cured.

For increasing the number of Magistrates in Bengal, Madras, and Bombay, the Supreme Court of Judicature in Bengal is to issue commissions of the peace, in pursuance of orders issued in Council for that purpose; and any of the Justices, so appointed, may by order in Council, sit also in the Courts of Oyer and Terminer, taking the oaths of Justices in England, excepting the oath prescribed by the Act of the 18 Geo. 2. (relating to qualification by estate.) The proceedings and judgments of justices may be removed to the Court of Oyer and Terminer by Certiorari, as may be done into the Court of King's Bench in England, and on similar conditions, but cannot be set aside for want of form, but on the merits only. The Justices may also associate with the Judges in causes appealed, when called upon so to do.

The Governments abroad may appoint Coroners to take inquests upon the bodies of persons coming to an untimely end, and appoint fees to be paid for that duty.

The Justices of the Peace may appoint Scavengers, and raise money by assessments for cleansing, watching, and repairing the streets

ftreets of Calcutta, Madras, and Bombay: they may alfo licenfe houfes for retailing fpirituous liquors, and fix the limits of thofe towns; and none are to retail fpirits but fuch as they fhall fo licenfe, under the penalties of the laws of Great Britain.

A fpecial oath is prefcribed to be taken in future by the Directors of the Company, prohibitory of their acting as Directors, when concerned in buying from, or felling to the Company any goods; and prohibitory of their being concerned in any fhipping employed by the Company, or accepting any prefent for any appointment of office, or of being concerned in any Private Trade contrary to the Act.

The Days and Hours fixed by former Acts of Parliament *for Purchafers of Teas* to make their *Depofits*, having been found inconvenient to the Trade, the Act has, with their Approbation, fixed *Tuefdays* and *Saturdays* at the Hour of THREE for making their Depofits in future.

Profecutions for any thing done under the Act are limited to three years, or if the party aggrieved be abroad, then in three years after his return.

The Act is to commence in Great Britain as foon as it fhall receive the Royal affent, and in India on the 1ft of February, 1794, except when any fpecial commencement is prefcribed in it.

IV.

IV. A VIEW of the NAVAL FORCE of GREAT BRITAIN; In which its present State, Growth, and Conversion of Timber; Construction of Ships, Docks, and Harbours; Regulations of Officers, and Men in each Department, are considered and compared with other European Powers. To which are added, Observations and Hints for the Improvement of the Naval Service. By an OFFICER of RANK. Price 5s.

"When professional men of rank and fortune, possessed of an independent spirit, will step forth and communicate the fruits of their knowledge and experience to the Public, we feel ourselves under a particular obligation to them. The Author of this Treatise, on a subject most interesting to Englishmen, as a great maritime and commercial nation, seems to have no object in view but the public good.

"It is clear, by the style and manner of this work, that the Author is not a writer by profession. We have therefore forborn all minute criticism. But his intentions are certainly laudable, and his work abounds with useful hints and observations, which will, we hope, be attended to.

ANALYTICAL REVIEW, July 1791.

V. A TREATISE on PRACTICAL SEAMANSHIP; with new and important Hints and Remarks relating thereto. Designed to contribute something towards fixing Rules, upon philosophical and rational Principles, for the Form and proportional Dimensions in Length, Breadth, and Depth of Merchant Ships in general, and the Management of them; and also to render Navigation in general more perfect, and consequently less dangerous and destructive to Health, Lives, and Property. By WILLIAM HUTCHINSON, Mariner and Dock-Master, at Liverpool. Quarto, 18s. Third Edition, considerably enlarged.

This valuable book contains a treasure of naval knowledge of every kind (presented to the world by a most experienced, able seaman, who is at present finishing his honourable career as Dock-master at Liverpool, as a legacy of what he gathered of useful knowledge from a very extensive experience), and includes, among many other most useful remarks, very ingenious counsels on the construction of merchant-ships and their management.

Capt. MULLER.

VI. THE SHIP-BUILDER's REPOSITORY; or, A Treatise on Marine Architecture. Wherein are contained the Principles of that Art, with the Theory and practical Parts fully explained; and

and every Instruction required in the building and completing a Ship of every Class, from the forming of the Draught to the launching into the Water, calculated to the Capacity of young Beginners. Compiled and digested in a Manner entirely new, and laid down different from what has hitherto appeared on the subject. The whole being intended as a complete Companion for those Naval Architects desirous of attaining a competent Knowledge of that important Art. London, printed *for the Author (without the year)*, 4to. and a large copper-plate, 1*l*. 5*s*.

The theoretical part gives a concise view of the most essential parts of the more ancient theories on the calculations of the resistance of ships, and of the *situations of the centre of gravity of the* immersed part, considered as an homogene composition, with some general remarks on the form of ships. The practical part, by far the largest and most valuable, is distinguished and remarkable principally for a very extensive table of the scantlings of every single piece entering into the construction of a *ship*; and is preferable to many others, as it contains the dimensions of the bolts and iron-work: but the use of this table has this inconvenience, that it is not arranged in an alphabetical or any other manner which renders the *finding of the single articles contained in it easy; so that it requires* a kind of familiarity with it to get directly at the instruction *wanted* in a particular case. Very valuable are the dimensions of a great variety of ships (from the largest to the smallest size) given in it, for laying down the body-plans of them on the mould-loft. The instruction for forming the draughts of ships, exemplified on the plan of an eighty gun ship, is very plain and *satisfactory; and the* explanation of the draught of *the inner* parts of a ship, mostly neglected in other works of the same kind, deserves to be mentioned as a particular merit in this work. The laudable design of the Author to render it more useful by a low price, did not allow him to give more copper-plates.